

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
: Ray Corder :
: Claimant :
: vs. : CASE #91-00973
: AWARD :
: Shearson Lehman/American Express, Inc. :
: n/k/a Shearson Lehman Brothers, Inc. :
: Respondent :

CASE SUMMARY

Ray Corder, represented by Frank J. Woodrow of Woodrow, Roushar & Carey, Montrose, CO, in a claim filed with the National Association of Securities Dealers, Inc. on March 26, 1991, alleged that Respondent failed to sell stock as set forth in Federal Reserve Reg T requiring sale of stocks on the day liquidation was required thereby failing to satisfy margin calls for Claimant's account. He states that his caused a debit balance in that account.

Respondent, Shearson Lehman/American Express, Inc. known as Shearson Lehman Brothers, Inc. by its attorney William A. Hohauser, New York, NY, maintained that Mr. Corder never advised Respondent on October 28, 1987 to sell all of his securities and that it would have been illogical for a sell order not to be executed as fulfilling such orders is the primary method of generating income for Shearson. Respondent states that Claimant had a duty to pay on demand any balance owed with respect to his margin accounts and that upon failure to pay, Shearson had the right to sell out claimant's position.

Claimant, on August 26, 1991, submitted a reply to the Answer.

RELIEF REQUESTED

Claimant requests damages at a minimum of Four Thousand Four Hundred Thirty-Two Dollars and Ninety-Five Cents (\$4,432.95) and at a maximum of Seven Thousand Eighty-Two Dollars and Forty-Two Cents (\$7,082.42).

Respondent requests dismissal of the claim in its entirety, costs and attorney's fees.

AWARD

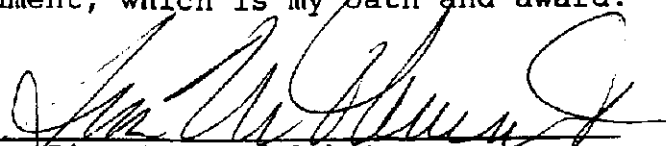
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Susan M. Thevenet, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on March 19, 1991 and by the Respondent on August 8, 1991;

And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That Respondent Shearson Lehman/American Express, Inc., now known as Shearson Lehman Brothers, Inc. failed to submit their Statement of Answer within the time frame mandated by Section 13(d) of the Code of Arbitration Procedure and, therefore, under Section 13(k) of the Code, Respondent's Answer is precluded by the Arbitrator.
2. That the Claim of Ray Corder be, and hereby is, dismissed.
3. The parties shall bear their respective costs including attorney's fees.
4. The One Hundred Fifty Dollar (\$150) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. and is assessed against the Respondent Shearson Lehman Brothers, Inc. who shall pay One Hundred Fifty Dollars (\$150) to the Claimant Ray Corder.

AFFIRMATION

I, SUSAN M. THEVENET, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATED:

Oct 4, 1991