

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimants

Al Barrios  
Ilan Israely

vs.

NASD #91-01505

Name of Respondents

Shearson Lehman Hutton, Inc  
Alan Minter

---

REPRESENTATION

For Claimants: David E. Frank, Esq., Los Angeles, California

For Respondents: E. Scott Douglas, Esq. Keesal, Young & Logan,  
Long Beach, California

CASE INFORMATION

Statement of Claim filed: May 14, 1991

Claimants' Submission Agreements signed: April 2, 1991

Joint Statement of Answer filed by Respondents on: July 5, 1991

Respondents' Submission Agreements signed on:

Shearson Lehman Hutton: April 6, 1992

Alan Minter: July 12, 1991

HEARING INFORMATION

Hearing Date/ Sessions: May 27, 1992 (two sessions)  
May 28, 1992 (two sessions)

Hear Location: Los Angeles, California

#### CASE SUMMARY

Claimants alleged violations of Section 10(b) of the Securities and Exchange Act of 1934 and Rule 10(b)5 thereunder, common law fraud and deceit, breach of fiduciary duty, conversion, and violation of the covenant of good faith and fair dealing.

Respondents denied all allegations, and asserted that Claimants were fully informed of the risks associated with high yield bonds and expressly authorized all transactions.

#### RELIEF REQUESTED

Claimants requested actual damages of approximately \$235,000.00, plus general and punitive damages.

Respondents requested dismissal of all claims, and an award of costs of arbitration and attorney's fees.

#### OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

#### AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims, including the claims for punitive damages, asserted by Claimants are dismissed in their entirety.
2. The parties shall each bear their respective costs including attorney's fees.

#### OTHER COSTS

None.

#### FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750 hearing session fee previously deposited as an assessment of forum fees.

Claimants are jointly and severally assessed postponement fees of \$1,750.00 for two (2) postponements, less a \$200.00 credit for overpayment of the filing fee. The balance due is \$1,550.00, payable to the NASD.

ARBITRATION PANEL

Public/Industry

ires

Public Arbitrator  
Public Arbitrator  
Industry Arbitrator

Thomas J. Doyle  
Thomas J. Doyle

Served 7/28/92

Date of Decision: 7-17-92