

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

 In the Matter of the Arbitration Between :
 Alice & Vernon Holmes :
 :
 Claimants :
 vs. :
 :
 Shearson Lehman Brothers, Inc. :
 T. Sidney Threet :
 :
 Respondents :

CASE #91-02656
AWARD

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 27, 1991, Claimants Alice & Vernon Holmes, who appeared Pro Se, alleged that Respondents Shearson Lehman Brothers, Inc. and T. Sidney Threet purchased 5 call options on Consolidated Papers, instead of 5 call options on Centocor, Inc., which is the security they requested the broker purchase for them. The Claimants further alleged that the Respondents refused to correct the error and that because of a delay in transfer, they had no funds to purchase the correct options. The Claimants also maintained that when their account was transferred to another broker, they were informed that their money was transferred "some time ago", but they hadn't been notified.

Respondents, Shearson Lehman Brothers, Inc. and T. Sidney Threet failed to file an answer to the Statement of Claim.

RELIEF REQUESTED

Claimants, Alice and Vernon Holmes requested \$10,000.00 in actual damages, plus interest and costs.

Respondents, Shearson Lehman Brothers, Inc. and T. Sidney Threet failed to file an Answer to the Statement of Claim.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single

Public Arbitrator, Harry B. Endsley, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on August 19, 1991 and not by the Respondent as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.

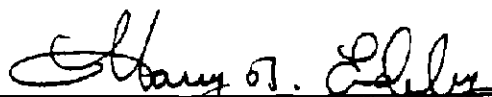
1. In accordance with Section 13 of the NASD Code of Arbitration Procedure the Respondents were served a copy of the Statement of Claim by regular mail and given an opportunity to respond, which they failed to do. Service was effected as evidenced by Respondents 10/4/91 confirming an extension granted by the NASD, Inc. Notification of the arbitrator's identify was also served as evidenced by the signed return receipt card dated 12/13/91.
2. Pursuant to the By-Laws of the NASD the arbitrator determined that Respondents, Shearson Lehman Brothers, Inc. and T. Sidney Threet were required to submit to this arbitration proceeding and are, therefore, bound by the arbitrator's ruling and determination.

And, 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. Respondent, Shearson Lehman Brothers, Inc. is liable and shall pay to Claimants, Alice & Vernon Holmes \$2,500.00 in actual damages.
2. Respondent, T. Sidney Threet is liable and shall pay \$7,500.00 to Claimants, Alice & Vernon Holmes in actual damages.
3. The Claimant's request for interest is denied.
4. The parties shall bear their respective costs.
5. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc. Shearson Lehman Brothers, Inc. shall pay \$75.00 to the Claimants as partial reimbursement of the filing fee and T. Sidney Threet shall pay \$75.00 to the Claimants as partial reimbursement of the filing fee.

AFFIRMATION

I, HARRY B. ENDSLEY, 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

DATE OF DECISION: April 30, 1992