

N.A.S.D. AWARD

PUBLIC

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Tony Fiore

91-03158

Name of Respondent(s)

Shearson Lehman Brothers, Inc.  
Richard English

REPRESENTATION

For Claimant: Anthony Hom, Esq. of Philadelphia, Pennsylvania.

For Respondent Shearson Lehman Brothers, Inc.: Louise Bailey-Matte, Esq. of  
Peterson, Dillard Young, Self & Asselin in Atlanta, Georgia.

Respondent Richard English appeared pro se.

CASE INFORMATION

Statement of Claim filed: October 8, 1991.

Submission Agreement of Tony Fiore signed on: September 30, 1991.

Submission Agreement of Shearson Lehman Brothers, Inc. signed on: October 28,  
1991.

Submission Agreement of Richard English signed on: March 9, 1992.

Statement of Answer of Shearson Lehman Brothers, Inc. filed on: November 18,  
1991.

Statement of Answer of Richard English filed on: March 9, 1992.

HEARING INFORMATION

Hearing Dates/Sessions: March 30, 1992/two sessions  
March 31, 1992/two sessions

Hearing Location: Atlanta, Georgia.

### CASE SUMMARY

Claimant Tony Fiore alleged that Respondents defrauded him in the handling of his account, violating Section 10 of the Securities Exchange Act of 1934, SEC Rule 10b-5, and the common law of fraud. Claimant further alleged that Respondents were negligent in the handling of his account and breached their contractual relationships with him which governed the way the account was to be managed. Claimant also alleged that Respondents traded call options with such securities as Disney, Wendy, Bally and Exxon without his authorization, never discussing the risks involved in options trading and never being provided with documents and agreements to sign to permit options trading. Respondent Shearson Lehman Brothers, Inc. maintained that the Claimant was a sophisticated and experienced investor, that options trading was discussed with the Claimant, that Claimant agreed to options trading, that Claimant was suitable for options trading, and that Claimant authorized his broker to trade options in his account. Respondent Richard English maintained that he was in no way negligent in handling Claimant's account, that Claimant approved of the options transactions and that he was kept apprised of the trading by phone and personal visits. Respondent Richard English further maintained that the trades in Claimant's account were consistent with his investment objectives.

### RELIEF REQUESTED

Claimant requested actual damages of \$65,895.00 plus interest from the date of the alleged wrongdoing to the date of the arbitration. Claimant further requested unspecified punitive damages. Respondent Shearson Lehman Brothers, Inc. requested that the claims of the Claimant be dismissed and that it be awarded costs and attorneys' fees. Respondent Shearson Lehman Brothers, Inc. also asserted a Motion to Dismiss Claimant's claims based upon the statute of limitations. Respondent Richard English requested that the claims of the Claimant be dismissed and that he be awarded unspecified damages for the costs of defending himself in the arbitration.

### 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 and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

(1) The claims of the Claimant Tony Fiore against Respondents Shearson Lehman Brothers, Inc. and Richard English be and hereby are dismissed.

(2) The Claimant's claims for punitive damages is denied.

OTHER COSTS

(1) The parties shall each bear their respective costs including attorneys' fees.

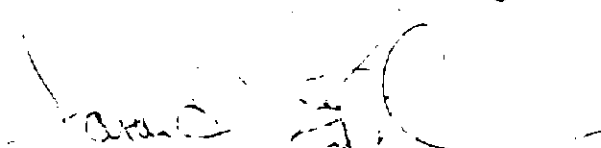
FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:


(1) The \$500.00 hearing session deposit previously deposited by the Claimant shall be retained by the NASD, Inc. and Claimant is assessed an additional \$1,500.00 in forum fees.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures

  
\_\_\_\_\_  
Harold Siegel (chairperson)

Public Arbitrator

  
\_\_\_\_\_  
Drew Fuller

Public Arbitrator

  
\_\_\_\_\_  
Ralph Bornheim

Industry Arbitrator

Dated: June 10, 1992

(1) The claims of the Claimant Tony Fiore against Respondents Shearson Lehman Brothers, Inc. and Richard English be and hereby are dismissed.

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Drew Fuller

Public Arbitrator

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*Ralph Bornheim*  
Ralph Bornheim

Industry Arbitrator

DATE OF EXECUTION

Dated:

NASD DATE OF DECISION: June 10, 1992