

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

RECEIVED

In the Matter of the Arbitration Between

DEC 23 1992

Name of Claimant

Charles L. Stephens
and

ARBITRATION CHICAGO
91-03775

Name of Respondent

Shearson Lehman Brothers, Inc.

REPRESENTATION OF PARTIES

Claimant was represented by Robert S. Travis, Esq. of Cantey & Hanger, Fort Worth, Texas.

Respondent Shearson Lehman Brothers, Inc. was represented by C.W. Flynn, Esq. and Rudolfo Rodriguez, Esq. of Locke Purnell Rain Harrell, Dallas, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about December 2, 1991. Claimant's Submission Agreement was signed on November 18, 1991.

Statement of Answer was filed by Respondent Shearson Lehman Brothers, Inc. on or about April 29, 1992. Respondent's Submission Agreement was signed on June 11, 1992 by Bari Jane Wolfe.

HEARING INFORMATION

A pre-hearing conference was held on Friday, September 25, 1992 for one (1) session with Jonathan A. Pace, Esq. presiding.

The hearing was held on Thursday, December 10, 1992 in Dallas, Texas for a total of two (2) sessions.

CASE SUMMARY

Claimant alleged that Shearson Lehman Brothers, Inc. through Robert L. Milner ("Milner") made misrepresentations with regard to the merits of securities offered. Claimant also alleged that Milner failed to disclose material information with regard to Blockbuster Entertainment Corporation ("Blockbuster") and Domain Technology, Inc. ("Domain").

Respondent stated that Millner made no misrepresentations to the claimant and made the recommendation to purchase Domain based largely on analyst recommendations. Respondent further stated that the claimant was well aware of the risks of the investment. Respondent asserted the following affirmative defenses: the claims are barred under the doctrines of waiver, ratification and estoppel; contributory fault; failure to mitigate; and the claims are barred by the applicable statutes of limitations.

RELIEF REQUESTED

Claimant requested an award of \$102,499.99, exemplary or punitive damages not to exceed twice the amount of actual damages sustained, pre and post award interest, costs, reasonable attorney's fees and for such other relief as the arbitrators deem just and equitable.

Respondent requested that the claims asserted herein be denied in all respects.

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 original(s) 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. The claims asserted herein shall be and hereby are dismissed and denied in their entirety.
2. Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$200.00 and shall retain the hearing session deposit in the amount of \$750.00 previously deposited with the NASD by the Claimant and Claimant shall pay to the NASD the sum of \$1050.00

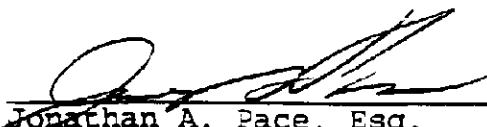
Award 91-03775

Page 3 of 3

as forum fees.

Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

The NASD shall retain postponement fees in the amount of \$750.00 previously deposited with the NASD by the Claimant. Fees are payable to the National Association of Securities Dealers, Inc.



Jonathan A. Pace, Esq.
Presiding Chair
Public Arbitrator

James S. Raber, Esq.
Public Arbitrator

Fred R. Deaton, Jr.
Industry Arbitrator

Dated:

12/17/92

Award 91-03775
Page 3 of 3

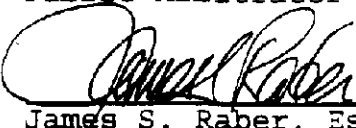
as forum fees.

Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

The NASD shall retain postponement fees in the amount of \$750.00 previously deposited with the NASD by the Claimant. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

Jonathan A. Pace, Esq.
Presiding Chair
Public Arbitrator



James S. Raber, Esq.
Public Arbitrator

Fred R. Deaton, Jr.
Industry Arbitrator

December 17, 1992

Award 91-03775

Page 3 of 3

as forum fees.

Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

The NASD shall retain postponement fees in the amount of \$750.00 previously deposited with the NASD by the Claimant. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

Jonathan A. Pace, Esq.
Presiding Chair
Public Arbitrator

James S. Raber, Esq.
Public Arbitrator

Fred R. Deaton, Jr.
Fred R. Deaton, Jr.
Industry Arbitrator

12-21-1992