

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Sylvia M. Lee

91-04034

Name of Respondents

Shearson Lehman Brothers
and Tom High

REPRESENTATION

For Claimant: Pro Se.

For Respondents: J. Thomas Vitt, Esq., of Dorsey & Whitney,
Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed: December 19, 1991. Amended Statement
of Claim/Response to the Respondent's Answer filed June 17,
1992.

Claimant's Submission Agreement signed on: December 14, 1991.

Joint Statement of Answer filed by Respondents on: June 11,
1992.

Respondent, Shearson Lehman Brothers, Inc.'s Submission Agreement
signed on: March 30, 1992.

HEARING INFORMATION

Hearing Date/Session: October 16, 1992 for one (1) session.

Hearing Location: Minneapolis, Minnesota.

CASE SUMMARY

Claimant Sylvia M. Lee ("Lee") alleged that Respondent Shearson Lehman Brothers ("Shearson"), through its agent, Respondent Tom High ("High") mismanaged her account, did not exercise sound judgment when selling and purchasing securities in her account, and engaged in unauthorized trading. More specifically, Lee alleged that High purchased about \$1,800 extra shares of AMEX starting the margin account, that he sold her Johnson & Johnson scores at 15.35 after just purchasing them at 23 and 24, and bought AMEX scores at an almost all-time high in August 1990.

Respondents Shearson and High denied the allegations set forth in the Statement of Claim. Shearson and High alleged that High never engaged in any unauthorized transactions for Lee's account, and also denied that the account was mismanaged. Shearson and High also alleged that Lee received confirmation slips for each of the transactions in the account, and made no objection.

In response to the Respondent's Answer, Lee alleged that she was not suitably advised in a safe investment which she asked for safety as a priority. Lee alleged that allegations in Shearson's and High's answer were not true.

RELIEF REQUESTED

Claimant requested: \$19,518.94 plus 10 percent interest and fees, expenses, including one day loss of pay from work.

Respondents requested: that the Statement of Claim be dismissed in its entirety, and that they be awarded their costs, including 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.

The Respondents filed a Motion to Dismiss and the Claimant filed an Answer to the motion. The arbitrators denied the motion.

Respondent Tom High did not file with the NASD a properly executed submission agreement pursuant to Section 12 of the Code, but having answered the claim, appeared and testified, is bound by the conclusions of the panel on all issues submitted for determination.

AWARD

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

1. Respondents Shearson Lehman Brothers and Tom High shall be, and hereby are, jointly and severally liable for, and shall pay to the Claimant, Sylvia M. Lee, actual damages in the amount of Nineteen Thousand Five Hundred Eighteen Dollars and Ninety Four Cents (\$19,518.94);
2. Each party shall bear their own costs and expenses incurred, including attorney's fees, other than those specifically enumerated for herein.

FORUM FEES

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

1 session X \$300.00 = \$300.00 minus hearing session deposit of \$300.00 = net \$0 due.

By The Arbitration Panel:

Dated:

October 19, 1992

Janice K. Frankman, Esq.
Janice K. Frankman, Esq.
Sole Arbitrator
Public Arbitrator

NASD Award served on: October 20, 1992