

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Name of Claimants

Blane Skewes

No. 92-02680

Name of Respondent

Shearson Lehman Hutton, Inc. a/k/a
Shearson Lehman Brothers, Inc.

REPRESENTATION OF PARTIES

For Claimant: James Lawing, Esq., Wichita, Kansas.

For Respondent: Ralph P. Schiavo, Esq., Shearson Lehman Brothers,
Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 10, 1992.

Claimants' Submission Agreement signed: July 30, 1992.

Statement of Answer filed by Respondent on or about: October 7,
1992.

Respondent's Submission Agreement signed on: October 6, 1992.

HEARING INFORMATION

Hearing date(s): December 16, 1993. Two (2) sessions.

Hearing Location: Oklahoma City, Oklahoma.

CASE SUMMARY

Claimant, Blaine Skewes ("Claimant"), alleged that Respondent, Shearson Lehman Hutton, Inc. a/k/a Shearson Lehman Brothers, Inc. ("Respondent"): Terminated Claimant without good cause depriving him of his right, pursuant to 29 U.S.C. Sections 1132(a)(3), and 1140 to his pension plan; failed to notify him of his right to withdraw all deferred compensation at one time, causing a twelve to fifteen month delay in receiving compensation; caused Claimant to pay taxes on the lump sum deferral income which otherwise would have been spread over ten years; and took one-half of his account book and gave it to other brokers in the office, and took away his sales assistant to assure that performance demands could not be met. Claimant further alleged that he had filed a wage complaint with the Kansas Department of Human Resources on July 29, 1988, and that on August 1, 1988, Respondent had terminated his employment.

Unless otherwise admitted in its Answer, Respondent denied each and every allegation contained in the Statement of Claim. Respondent asserted that Claimant's performance had been poor, and that when the branch office manager had given Claimant a second warning concerning his performance, Claimant "Went on a tirade." Respondent further asserted that due to his prior poor performance and his outburst, Claimant was terminated. Respondent additionally asserted that Claimant had been an employee at will, and as such, his employment could have been terminated with or without cause, and that Claimant had no reasonable expectation of damages for lost benefits, and future earnings.

RELIEF REQUESTED

Claimant requested an award of compensatory damages in the amount of \$358,414.66, and also requested an award of exemplary damages.

Respondent requested that Claimant's Statement of Claim be dismissed in its entirety and that Respondent be awarded attorneys' fees and costs in this action.

OTHER ISSUES CONSIDERED & DECIDED

An arbitrator failed to appear at the hearing. After discussion, the parties agreed to have this matter heard by the two remaining arbitrators with the right of either party to have a new panel rehear the case if they were not satisfied with the award.

The parties have agreed that the Award in this matter may be executed by 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 and the post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

Respondent, Shearson Lehman Hutton, Inc. a/k/a Shearson Lehman Brothers, Inc. is liable for, and shall pay to Claimant, Blaine Skewes the sum of \$108,023.87 as satisfaction of all of his claims made herein.

Claimants claim for punitive/exemplary damages is denied and dismissed.

OTHER COSTS

Each party shall pay its own costs and expenses associated with this arbitration, including attorneys' fees, except as set forth more fully below.

Respondent, Shearson Lehman Hutton, Inc. a/k/a Shearson Lehman Brothers, Inc. is liable for, and shall pay to Claimant, Blaine Skewes the sum of \$1,250.00 as reimbursement for his claim filing costs incurred herein.

FORUM FEES

Pursuant to Section 44(c) of the NASD Code of Arbitration Procedure (the "Code"), the following forum fees are assessed:

2 hearing sessions x \$750.00 = \$1,500.00

Pursuant to Section 44(c) of the Code, the NASD shall retain the nonrefundable filing fee in the amount of \$500.00, and shall RETAIN the hearing session deposit in the amount of \$750.00 previously paid to the NASD by the Claimant.

Additional forum fees in the amount of \$750.00 are assessed against the Respondent.

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Pursuant to Sections 30(b) and 44(c) of the Code, the NASD shall retain the postponement fees in the aggregate amount of \$2,000.00 previously paid by the Respondent.

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

CONCURRING ARBITRATORS

Dated:

Name:

February 9, 1994

John Morley/s/
John Morley
Presiding Chair

February 9, 1994

Michael J. Kitchen/s/
Michael J. Kitchen
Industry Arbitrator

Date of Service by the NASD: Feb 10, 1994