

N.A.S.D. AWARD**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

In the Matter of the Arbitration Between

Name of Claimant

Milan C. Chamberlain

92-04311

Name of Respondents

Shearson Lehman Hutton, Inc.
Andrew Hill

REPRESENTATION

For Claimant, Milan Chamberlain, at the hearing: Tracy R. Eichhorn-Hicks, Esq., Minneapolis, Minnesota.

For Respondents, Shearson Lehman Hutton, Inc. and Andrew Hill, at the hearing: Robert J. Kuker, Esq. of Neal Gerber & Eisenberg, Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed: December 24, 1992. Claimant's Submission Agreement signed on: December 17, 1992.

Joint Statement of Answer filed by Respondents, Shearson Lehman Hutton, Inc. and Andrew Hill on: March 11, 1993.

Respondent, Shearson Lehman Hutton, Inc.'s Submission Agreement signed on: April 1, 1993. Respondent, Andrew Hill's Submission Agreement signed on: February 26, 1993.

HEARING INFORMATION

Pre-Hearing Conference: July 6, 1993 for one (1) session with the Chairman only.

Hearing Date/Sessions: November 3, 1993 for two (2) sessions.

Hearing Location: Minneapolis, Minnesota.

NASD AWARD 92-04311
Page 2 of 3

CASE SUMMARY

Claimant Milan Chamberlain ("Chamberlain") alleged that Respondent Andrew Hill ("Hill"), account representative with Respondent Shearson Lehman Hutton, Inc. ("Shearson") purchased securities which were unsuitable for him and made recommendations which Chamberlain relied on and later lost money. Chamberlain alleged that Shearson purchased TWA bonds on margin, purchased Memorex Telex Corporation bonds and sold Santa Fe Pacific Pipeline limited partnership, and purchased Equitable Real Estate Shopping Center O.P.

Respondents Shearson and Hill denied all material allegations set forth in the Statement of Claim. Shearson and Hill alleged that Chamberlain knew of the risks involved in purchasing the securities at dispute but was willing to bear the risk in exchange for income.

RELIEF REQUESTED

Claimant requested actual damages in the amount of \$50,469.07 plus interest, time, attorneys' fees, and costs.

Respondents requested that the Statement of Claim be dismissed and that they be granted their costs and forum fees incurred in this 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, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Shearson Lehman Hutton, Inc. and Andrew Hill shall be and hereby are jointly and severally liable for and shall pay to the Claimant, Milan Chamberlain, damages in the amount of Sixteen Thousand Five Hundred Eighty Six Dollars and Sixty Nine Cents (\$16,586.69);
2. Each of the parties shall bear their own costs and expenses, including attorney's fees, other than those specifically set forth under Forum Fees below.

NASD AWARD 92-04311
Page 3 of 3

FORUM FEES

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

2 sessions X \$400 = \$800 minus hearing session deposit of \$400 = \$400 plus \$300 for the prehearing conference = net \$700 due.

Additional Forum fees Assessed by the panel Against Respondents Shearson Lehman Hutton, Inc. and Andrew Hill, jointly and severally, in the amount of \$700.

Additional Forum Fees Assessed by the panel are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

11/29/93

Douglas D. McFarland, Esq.
Douglas D. McFarland, Esq., Presiding
Public Arbitrator

11/29/93

Charles A. Hoffman, Esq.
Charles A. Hoffman, Esq.
Public Arbitrator

11/29/93

Harold E. Gierke
Harold E. Gierke
Industry Arbitrator

Date Award Served By The NASD: December 9, 1993