

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of Arbitration Between

Name of Claimant

William R. Sharp

vs.

Case # 93-00061

Name of Respondents

Shearson Lehman Brothers, Inc.
John Mahonchak

REPRESENTATION

For Claimant, William R. Sharp ("Claimant"), Robert J. Donaghy, Esq.

For Respondents, Shearson Lehman Brothers ("SLB") and John Mahonchak ("Mahonchak"),
Casey Baum, Esq.

CASE INFORMATION

Statement of Claim was filed on January 6, 1993.

Claimant's Submission Agreement was signed on January 19, 1993.

Joint Statement of Answer was filed by SLB and Mahonchak on March 23, 1993.

Shearson's Submission Agreement was signed on March 22, 1993.

Mahonchak's Submission Agreement was signed on February 10, 1993.

HEARING INFORMATION

Pre-hearing Conference: September 15, 1993 - 1 session

Hearing Date/Sessions: December 10, 1993 - 2 session

Hearing Location: National Association of Securities Dealers, Inc. offices located in New York, New York.

CASE SUMMARY

Claimant alleges that he owned shares in DNA Plant Technology ("DNAP") and that when he learned of a joint venture between DNAP and DuPont Co. he instructed his broker, Mahonchak, to purchase 30,000 additional shares on January 7, 1992. Claimant also alleges that Mahonchak confirmed purchases of 10,000 shares at 6 5/8 and 20,000 shares at 6 1/2. Claimant further alleges that when he learned that the price per share had increased he instructed Mahonchak to sell the 30,000 shares at range of 8 to 8 1/2. Claimant alleges that Mahonchak then informed Claimant that the order of January 7, 1992 was not a purchase order, but rather a sell order of 30,000 shares. Claimant contends that Respondent later purchased 30,000 shares at 8 1/4 at costs to Claimant of \$51,225.00.

Claimant alleges common law claims and seeks damages as a result of Respondent's failure to execute the purchase and for unauthorized sale of his DNAP Shares.

Respondents deny the allegations of wrongdoing, deny liability and interpose six affirmative defenses.

Respondents contend that Dr. Sharp is a very sophisticated businessman and investor whose interests were concentrated in the biological technology field. Respondents state that Claimant were one of the founders, a principal and one of the eight largest initial stockholders of DNAP. Respondents also state that as a principal, Claimant received a minimum of 1,195,000 shares that were valued at \$8.12 per share in 1985 and worth in excess of \$9,709,375.00.

Respondents deny that Claimant instructed them to purchase 30,000 shares but instead gave Mahonchak a sell order which Claimant confirmed during later conversations. Respondents also state that Claimant received confirmation concerning the purchase of the shares. Respondents maintain that when Claimant refused to honor the sale transaction, they purchased back the 30,000 at the market price of \$8.25 per share.

RELIEF REQUESTED

Claimant requests an award in excess of \$95,000.00 against Respondents.

Respondents request that the Statement of Claim be dismissed in all respects and that costs be assess against the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

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 arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against respondent are denied.

FORUM FEES

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

Non-refundable Filing Fee:	\$150.00
Pre-hearing Conference Fee:	\$300.00 x 1 session = \$300.00
Hearing Session Fees:	\$500.00 x 2 sessions = \$1,000.00
Total Fees:	\$1,450.00

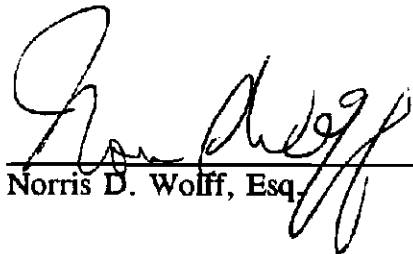
Claimant previously paid \$650.00 and owes a balance of \$800.00.

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

ARBITRATION PANEL

Norris D. Wolff, Esq.	-	Public Chairperson
Edward M. Miller	-	Public Panelist
James J. Noone	-	Industry Panelist

Concurring Arbitrator's Signature


Norris D. Wolff, Esq.

Date of Decision: January 21, 1994

STATE OF NEW YORK
COUNTY OF K. J.

S.S.:

On this ^{10TH} day of January, 1994, before me personally appeared Norris D. Wolff, Esq. known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

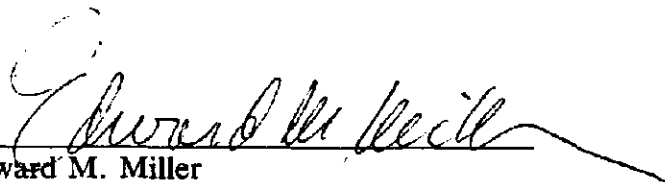


STEVEN H. REING
Notary Public, State of New York
No. 30-4999931
Qualified in Nassau County
Commission Expires August 3, 1994

ARBITRATION PANEL

Norris D. Wolff, Esq.	-	Public Chairperson
Edward M. Miller	-	Public Panelist
James J. Noone	-	Industry Panelist

Concurring Arbitrator's Signature

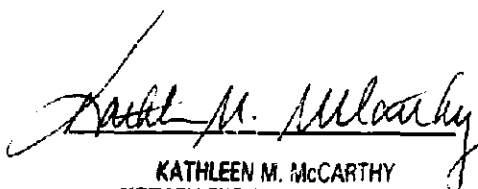

Edward M. Miller

Date of Decision: January 21, 1994

STATE OF NEW YORK
COUNTY OF

s.s.:


On this 21st day of January, 1994, before me personally appeared Edward M. Miller known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.


KATHLEEN M. MCCARTHY
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Dec. 7, 1995

ARBITRATION PANEL

Norris D. Wolff, Esq.	-	Public Chairperson
Edward M. Miller	-	Public Panelist
James J. Noone	-	Industry Panelist

Concurring Arbitrator's Signature


James J. Noone

Date of Decision: January 21, 1994

STATE OF NEW YORK
COUNTY OF

S.S.:

On this 17 day of January, 1994, before me personally appeared James J. Noone known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.



KATHLEEN S. FUH
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES
JAN. 18 1998