

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Sara Jimenez de San Roman, Trustee of the Richie Trust UAD 10/3/85;
Sara Jimenez de San Roman, Trustee of the AASR and SJSR Trust UAD 10/3/85;
Sara Jimenez de San Roman, Trustee of the Lord Trust UAD 10/3/85;
Sara Jimenez de San Roman, Trustee of the Jackie Trust UAD 10/3/85;
Sara Jimenez de San Roman, Trustee of the Ma Angeles Jimenez JTWROS;
Sara San Roman;
Luz Ma Jimenez JTWROS

v.

NASD Arbitration
No. [REDACTED]

Name of Respondent

Shearson Lehman Brothers, Inc.

REPRESENTATION

For Claimants: Howard J. Barnhorst, II, Esq. - Barnhorst, Schreiner & Goonan - San Diego, California

For Respondent: William A. Hohaus, Esq. - Shearson Lehman Brothers - New York, New York

CASE INFORMATION

Statement of Claim filed: February 25, 1993

Claimants' Submission Agreements signed: November 13, 1992

Statement of Answer filed by Respondent: May 27, 1993

Respondent's Submission Agreement signed: May 14, 1993

HEARING INFORMATION

Hearing Dates - Sessions:

February 3, 1994 - Two Sessions
February 4, 1994 - Two Sessions
February 14, 1994 - One Session
February 15, 1994 - Two Sessions
February 16, 1994 - Two Sessions

Hearing Location: San Diego, California

CASE SUMMARY

Claimants alleged that they were sold an unsuitable and unauthorized investment in shares of the Shearson Offshore Portfolio - U.S. Government Securities fund.

Respondent alleged that the investment was suitable, authorized and fully disclosed.

RELIEF REQUESTED

Claimants seek to recover \$189,910.86, attorney's fees, punitive damages and costs.

Respondent seeks dismissal of the claim in its entirety, costs and attorney's fees.

AWARD

The parties have agreed that the Award in this matter may be executed in either 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 remains on file with the NASD.

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. Respondent, Shearson Lehman Brothers, Inc., is liable and shall pay to Claimant, Sara Jimenez de San Roman, as Trustee for the named trusts, the sum of \$52,548.00 plus interest at the rate of 7% per annum to date, in the amount of \$12,768.00, for a sum total of Sixty Five Thousand Three Hundred Sixteen Dollars and No Cents (\$65,316.00).
2. All claims for punitive and consequential damage are denied.

3. The parties shall each bear their respective costs and fees.
4. The NASD shall retain all fees and deposits.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

Respondent, Shearson Lehman Brothers, Inc., is assessed the sum of \$6,000.00, representing assessments for nine hearing sessions at \$750.00 each, less credit for a previous deposit of \$750.00.

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

ARBITRATORS

Name

Robert A. Yates
James D. Knotter
Guenter S. Cohn

Public / Industry
Industry Arbitrator
Public Arbitrator
Public Arbitrator

Concurring Arbitrators' Signatures

Robert A. Yates

James D. Knotter

Guenter S. Cohn

Guenter S. Cohn

Served 3/24/94

Date of Decision: 02-16-94