

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Allergy Medical Group Profit & Pension
Plan FBO Dr. John T. Chiu, John T. Chiu,
Trust

NASD Arbitration
No. 93-03612

Name of Respondent(s)

Shearson Lehman Brothers, Inc.
Steve Nassau

REPRESENTATION

For Claimant: Michael Huberman, Esq., Greenbaum & Ferentz, Newport
Beach, California

For Respondents: Stephen Young, Esq., Keesal, Young & Logan, Long
Beach, California

CASE INFORMATION

Statement of Claim filed: September 9, 1993
Amendment to Statement of Claim filed: September 13, 1994
Claimant's Submission Agreement signed: October 4, 1993

Joint Statement of Answer filed by Respondents: December 8, 1993
Respondents' Response to Amendment to Statement of Claim filed:
September 20, 1994

Respondents' Submission Agreements signed as follows:
Shearson Lehman Brothers, Inc.: November 9, 1993
Steve Nassau: January 17, 1994

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

October 18, 1994 (one session)

Hearing Date(s)/Session(s): October 19, 1994 (two sessions)

February 8, 1995 (one session)

Hearing Location:

Los Angeles, California

CASE SUMMARY

Claimant alleged the following causes of action with respect to Claimant's investments in various securities: 1) Misrepresentations and Omissions; 2) Negligent Misrepresentation; 3) Breach of Contract; 4) Breach of Fiduciary Duty; 5) Failure to Supervise; 6) Unauthorized Transactions; and 7) Suitability.

Respondents denied Claimant's allegations of wrongdoing and alleged that they followed Claimant's instructions and investment strategy. Respondents further alleged that Dr. John T. Chiu is a sophisticated investor who understood the risks associated with the investments made in Claimant's account. Respondents also asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested:

1. Out-of-pocket losses in the amount of \$17,000.00;
2. Prejudgment and postjudgment interest at the highest legal rate;
3. Punitive damages in the amount of \$13,000.00;
4. Commissions and fees in an amount to be determined at arbitration;
5. Costs of suit;
6. Attorney's fees; and
7. Other and further relief as the arbitration panel deems just and proper.

Respondents requested dismissal of Claimant's claims and requested reasonable attorneys' fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

At hearing, Claimant withdrew the Amendment to Statement of Claim.

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 by Claimant, including the claim for punitive damages are dismissed.
2. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$300.00 hearing session deposit previously deposited by the Claimant. Forum fees are to be split between Claimant and Shearson Lehman Brothers, Inc. and are calculated as follows:

One pre-hearing session @ \$300.00/session	=	\$ 300.00
Three hearing sessions @ \$300.00/session	=	\$ 900.00
Total fees assessed	=	\$1,200.00
Claimant's share (50%)	=	\$ 600.00
Credit for hearing deposit	=	\$ 300.00
Balance due	=	\$ 300.00
Shearson Lehman Brothers, Inc.'s share (50%)	=	\$ 600.00
Balance due	=	\$ 600.00

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

PRESIDING ARBITRATOR

Name _____ Public / Industry

Herman R. Friedberg, Esq.

Public Arbitrator

Presiding Arbitrator's Signature

_____

Herman R. Friedberg, Esq.

Date Served: 3/6/95

Date of Decision: Feb- 8, 1995