

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Michael Farley
Robyn Farley

NASD Arbitration
No. 93-04636

Name of Respondents

Shearson Lehman Hutton, Inc.
Steve Nassau

REPRESENTATION

For Claimants: 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: November 8, 1993

Claimants' Submission Agreement signed: October 21, 1993

Joint Statement of Answer filed by Respondents: January 26, 1994.

Submission Agreement signed by Respondent Steven Nassau at the hearing.

Submission Agreement signed by Respondent Smith Barney Shearson on December 27, 1993

HEARING INFORMATION

Hearing Dates / Sessions: November 8, 1994 - Two Sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants, Michael and Robyn Farley (Farley), alleged that Respondent, Steve Nassau (Nassau) while employed by Respondent, Smith Barney Shearson (Shearson), sold Farley shares in Computervision, an initial public offering at \$12.00 per share. After the stock was bought the price quickly fell to \$9 and 7/8th at which time Farley sold.

Farley alleged that, during the period of decline in price, Nassau kept assuring Farley that the investment would rise in price.

Respondents alleged that Claimants statement of claim was based on the implausible notion that Nassau, by somehow "guaranteeing" the success of Computervision, caused the Claimants not only to purchase the stock but to hold until the shares dropped in price. However, Respondents alleged, the fact of the matter was that the Claimants were disappointed in the results of their investment and now seek to place blame on the failure of the investment on the Respondents.

RELIEF REQUESTED

Claimants seek to recover damages in the amount of \$10,680.50, lost profits, interest, punitive damages of \$19,319.50, costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND 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 original remains 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. Each and every claim of Claimants, Michael and Robyn Farley, against Respondents, Smith Barney Shearson Inc., and Steve Nassau are dismissed.

2. The parties shall each bear their respective costs and fees, including attorneys' fees.
3. The NASD shall retain all fees and deposits.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure,

Claimants are assessed the sum of \$400.00 representing fees for one hearing computed as follows:

Two sessions @ \$400.00/session	-	\$800.00
Credit for hearing session deposit	-	\$400.00
Balance due	-	\$400.00


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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
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Evelyn Kramer	Public Arbitrator
Merton Bobo	Public Arbitrator
Robert Paset	Industry Arbitrator

Concurring Arbitrators' Signatures


Evelyn Kramer

Merton Bobo

Robert Paset

Date Served: 11-23-94