

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the matter of the Arbitration Between

Name of Claimants
Richard and Justine Holme

NASD Arbitration
No. 94-01815

v.

Name of Respondents
Smith Barney Shearson, Inc.
Gary Handler

REPRESENTATION

Claimants were represented by John J. Gilligan, Esq., Gyler, Gilligan and Osborn, Long Beach, California

Respondents were represented by Sean J. Coughlin, Esq., Smith Barney, Inc., New York, New York

CASE INFORMATION

The Statement of Claim was filed on May 13, 1994; Claimants' submission agreement was signed on June 25, 1994.

Respondents' Joint Statement of Answer was filed on August 25, 1994; Respondents' submission agreements were signed as follows:

Smith Barney Shearson: August 22, 1994

Gary Handler: August 26, 1994

HEARING INFORMATION

The evidentiary hearing was held in Los Angeles, California on February 1, 1995, and lasted 2 sessions.

CASE SUMMARY

Claimants alleged breach of fiduciary duty, lack of suitability, misrepresentation, and fraud with respect to investments in common stock made at the behest of Respondents.

Respondents denied the allegations of the claim, and asserted that Claimants directed the trading in the account, that Claimants have failed to state a claim upon which relief can be granted, that any losses incurred by Claimants are not the responsibility of Respondents.

RELIEF REQUESTED

Claimants requested damages of \$37,000, plus interest, lost opportunity costs, punitive damages and attorney's fees.

Respondents requested dismissal of all claims.

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 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. Respondent Smith Barney is liable for and shall pay to Claimants the sum of \$4,000 exactly in satisfaction of all claims.
2. Respondent Gary Handler is liable for and shall pay to Claimants the sum of \$1,400 exactly in satisfaction of all claims.
3. All other claims, including the claims for interest and punitive damages, are dismissed.
4. 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 NASD shall retain the \$200 non-refundable filing fee paid by Claimant, and the \$750 hearing session deposit shall be retained as an assessment of forum fees for 1 session.

Respondent Smith Barney is assessed \$750 as forum fees for 1 session.

Fees are payable to the NASD, Inc.

ARBITRATORS

Name

Diana G. Davis

Harry Miller

Andrew J. Sorensen

Public / Industry

Public Arbitrator

Public Arbitrator

Industry Arbitrator

Concurring Arbitrators' Signatures



Diana G. Davis

Harry Miller

Andrew J. Sorensen

Served 2/24/95

Date of Decision: _____

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$200 non-refundable filing fee paid by Claimant, and the \$750 hearing session deposit shall be retained as an assessment of forum fees for 1 session.

Respondent Smith Barney is assessed \$750 as forum fees for 1 session.

Fees are payable to the NASD, Inc.

ARBITRATORS

Name

Diana G. Davis

Harry Miller

Andrew J. Sorensen

Public / Industry


Public Arbitrator

Public Arbitrator

Industry Arbitrator

Concurring Arbitrators' Signatures

Diana G. Davis



Harry Miller

Andrew J. Sorensen

Served 2/24/95

Date of Decision: _____

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$200 non-refundable filing fee paid by Claimant, and the \$750 hearing session deposit shall be retained as an assessment of forum fees for 1 session.

Respondent Smith Barney is assessed \$750 as forum fees for 1 session.

Fees are payable to the NASD, Inc.

ARBITRATORS

Name

Diana G. Davis

Harry Miller

Andrew J. Sorensen

Public / Industry

Public Arbitrator

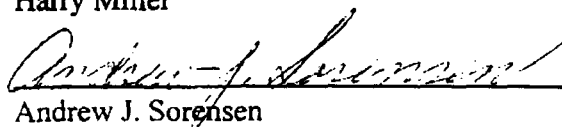
Public Arbitrator

Industry Arbitrator

Concurring Arbitrators' Signatures

Diana G. Davis

Harry Miller



Andrew J. Sorensen

Served 2/24/95

Date of Decision: _____