

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Among)	
Ruth D. Kittell,)	
)	
Claimant)	Case #87-02648
)	
vs.)	Award
)	
Prudential-Bache Securities, Inc., and)	
Michael Chrys,)	
)	
Respondents)	

CASE SUMMARY

Claimant, Ruth D. Kittell, alleged that Respondent, Michael C. Chrys, failed to disclose the risks inherent in dealing with call options and other securities trading that he engaged in for Claimant's account. He allegedly engaged in excessive trading of a highly speculative and risky nature which was unsuitable for her and contrary to her investment objectives for the purpose of generating commissions. Claimant further alleged that Respondent, Prudential-Bache Securities, Inc., is liable for Mr. Chrys' actions and failed to supervise him. Respondents maintained that Claimant was fully aware of the risks inherent in dealing with call options through the information furnished to her and was fully aware of the transactions made in her account through frequent contact with Mr. Chrys. They deny any allegation of churning.

RELIEF REQUESTED

Claimant, Ruth D. Kittell, requested compensatory and other damages of \$100,000.00, punitive damages of \$100,000.00, plus interest, costs, disbursements and attorneys' fees. Respondents requested dismissal of the claim and Prudential-Bache Securities, Inc. requested that it be awarded attorneys' fees.

AWARD

On July 11, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on November 20, 1987, by Prudential-Bache Securities, Inc. on March 28, 1988 and by Michael C. Chrys on July 11, 1989. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

- A. The claims of the Claimant shall be and hereby are dismissed in all respects.
- B. The parties shall each bear their respective costs, including attorneys' fees;
- C. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant.

ARBITRATORS CONCURRING


Patrick J. Mackrell, Esq.


Sheri Lynn


Edward LaVarnway

Dated: August 7, 1989