

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Eloise Cohen (formerly Eloise Burg)

Claimant

vs.

Prudential-Bache Securities, Inc. and
David Sagerman

Respondents

Case #88-01078
AWARD

CASE SUMMARY

Claimant alleged Respondents made unauthorized purchases in non-liquid, high risk and unsuitable investments. Further, Claimant alleged that these transactions were made contrary to her instructions for safe liquid investments which would conserve principal and provide Claimant with income which she would live on for the rest of her life. Respondents maintained Claimant was aware of all transactions purchased and that the investments were within her stated goals of liquidity and income growth.

RELIEF REQUESTED

Claimant requested rescission of all transactions and reimbursement for damages suffered including adverse tax consequences that may have occurred. Respondents requested that the claim be dismissed with costs assessed against the Claimant.

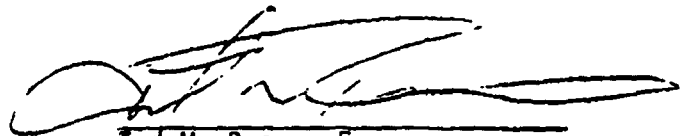
AWARD

On July 11, 12 and August 9, 1989, the undersigned arbitrators heard the controversy at the offices of the National Association of Securities Dealers, Inc. in New York City, NY between the parties as set forth in submissions to arbitration signed by Claimant, Eloise Cohen on March 21, 1988 and by Respondent, Prudential-Bache Securities, Inc. on November 2, 1988 and by Respondent, David H. Sagerman on September 26, 1988. The initial claim was filed on May 21, 1988. 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:

1. Respondent, Prudential-Bache Securities, Inc. shall be liable and shall pay to the Claimant the sum of Forty-Seven Thousand Seven Hundred Twenty Dollars and Forty Two Cents (\$47,720.42).

2. The claims of the Claimant against Respondent, David Sagerman are hereby dismissed.
3. The parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the \$400.00 filing fee previously deposited by the Claimant as costs of the six hearing sessions conducted in this matter and the \$400.00 filing fee is hereby assessed against Prudential-Bache Securities, Inc. Additionally, the panel assesses forum fees in the amount of \$2,000.00 against Prudential-Bache-Securities, Inc. pursuant to Section 43(c) of the Code of Arbitration Procedure.


ARBITRATORS CONCURRING



Ted M. Rosen, Esq.



Harold Frankel



Vincent Buchanan

Dated: October 26, 1989