

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Sherry Fallenstein	Claimant(s)	AWARD
vs.		CASE #88-01562
Prudential-Bache Securities and Randy Brandt	Respondent(s)	

SUMMARY OF ISSUES

This case was filed on May 13, 1988. Claimant maintained a margin account with Respondent's Phoenix office. The Claimants associate, Dr. Irwin Lehrhoff, claims that he was told by the Respondent through their employees that Ms. Fallenstein's margin account would not be sold out for any reason and that Dr. Lehrhoff would be contacted to meet any margin calls generated.

Claimants account was subsequently sold out by Respondent.

Respondent alleges that no such agreement to protect Ms. Fallenstein was ever entered into by them and that they had a contractual right to sell out the Claimants account with or without notice.

DAMAGES AND RELIEF REQUESTED

Claimant seeks to recover \$17,500.00 for breach of contract plus costs and fees.

Respondents seek dismissal of the claim in its entirety.

DAMAGES AND RELIEF AWARDED

On November 9, 1989 in Los Angeles, California the undersigned arbitrators heard the controversy in three sessions between the parties as set forth in submissions to arbitration signed by Claimant Sherry Fallenstein on March 25, 1988 and by Respondent Prudential Bache Securities, Inc. on August 3, 1988 and by Randy Brandt on July 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. Each and every claim of Claimant against Respondent Prudential-Bache Securities is dismissed.

2. Each and every claim of Claimant against Respondent Randy Brandt is dismissed.

3. The parties shall each bear their respective costs including attorneys' fees.

4. Pursuant to Section 43 of the National Association of Securities Dealers, Inc ("NASD") Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimant.

ARBITRATORS CONCURRING

DATE SERVED: 12/19/89

*Michael D. Donahue*  
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Irving Porush

Luis Ruiz

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11/27/89