

9107234

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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	:
Leon Schwartz	:
Mendel & ETTY Strul	:
Helen K. Urban	:
Helena Mitchell	:
Lynde H. & Anthony T. Gaglia	:
William C. Raney	:
David Russell	:
Gloriana V. Urban	:
Claimants	:
v.	:
Prudential Bache Securities, Inc.	:
Howard Goldberg	:
Martin Salzman	:
Respondents	:
v.	:
Gloriana Urban	:
Third-Party Respondent	:
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AWARD

:CONSOLIDATED CASES
 :#88-02212; #88-02213
 :#88-02214; #88-02215
 :#88-02216; #88-02217
 :#88-02218; #88-02219

CASE SUMMARY

The Statements of Claims were all filed with the N.A.S.D., Inc. on July 13, 1988.

Claimants, Leon Schwartz; Mendel and ETTY Strul; Helen K. Urban; Helena Mitchell; Lynde H. and Anthony T. Gaglia; William C. Raney; David Russell and Gloriana V. Urban all alleged that Respondents, Prudential Bache Securities, Inc., Howard Goldberg and Martin Salzman, caused trades to be made in their accounts at Prudential Bache without their knowledge or consent and against their specific instructions resulting in substantial losses to all Claimants.

Respondents, Prudential Bache Securities, Inc., Howard Goldberg and Martin Salzman, maintained that they acted in a commercially reasonable manner under the market conditions at the time in question and further asserted a Third-Party Claim, in each case, against Gloriana Urban (who was the account executive who handled claimants' accounts at Prudential Bache) for indemnification and for the mishandling of Claimants' accounts and for acting outside the scope of her employment. Respondents also asserted counterclaims against Leon Schwartz, Helena Mitchell and Gloriana Urban for debit balances due and owing Prudential Bache.

AWARD-#88-02212-#88-02219

Third-Party Respondent, Gloriana Urban, denied all allegations of wrong-doing.

RELIEF REQUESTED

Claimant, Leon Schwartz, requested an award in the amount of \$78,347.01 plus interest for a total of \$90,099.06;

Claimants, Mendel and Etty Strul, requested an award in the amount of \$66,307.02 inclusive of interest;

Claimant, Helen K. Urban, requested an award in the amount of \$46,124.54 plus interest to date of filing in the amount of \$6,918.68 for a total award of \$53,943.22;

Claimant, Helena Mitchell, requested an award in the amount of \$37,785.74 plus interest to date of filing in the amount of \$5,667.81 for a total award of \$43,453.60;

Claimants, Lynde H. and Anthony T. Gaglia, requested an award in the amount of \$11,957.72 plus interest to date of filing in the amount of \$1,793.66 for a total of \$13,751.38;

Claimant, William C. Raney, requested an award in the amount of \$20,530.73 plus interest to date of filing in the amount of \$3,079.61 for a total award of \$23,610.34;

Claimant, David Russell, requested an award in the amount of \$20,881.82 plus interest to date of filing in the amount of \$3,132.27 for a total award of \$24,014.09;

Claimant, Gloriana Urban, requested an award in the amount of \$37,941.94 plus interest to date in the amount of \$5,691.29 for a total award of \$43,633.23;

Respondents, Prudential Bache Securities, Inc., Howard Goldberg and Martin Salzman requested dismissal of all Claims and an award on their counterclaims in the amounts of \$20,487.20 in case #88-02212 and \$11,124.04 in case #88-02215 and \$10,006.80 in case #88-02219;

Third-Party Respondent, Gloriana Urban requested dismissal of the Third-Party Claims;

Claimants, Leon Schwartz, Helena Mitchell and Gloriana Urban requested dismissal of the counterclaims brought against them by Respondents.

AWARD-#88-02212 - #88-02219

AWARD

On April 24th and 25th, 1990; June 4th, 5th, 6th and 8th, 1990; August 1st, 2nd and 13th, 1990 and September 4th, the undersigned arbitrators heard the controversy between the Parties as set forth in submissions to arbitration signed by the Claimants, Leon Schwartz on July 8, 1988; Mendel and ETTY Strul on June 6, 1988; Helen K. Urban on August 2, 1988; Helena Mitchell on August 22, 1988; Lynde and Anthony Gaglia on July 7, 1988; William G. Raney on June 22, 1988; and Gloriana V. Urban on August 2, 1988. The hearing was held in New York City and consisted of twenty (20) sessions. 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. With respect to Case #88-02212, Respondent, Prudential Bache Securities, Inc. shall pay to Claimant, Leon Schwartz the sum of Fifty One Thousand Four Hundred Ninety Seven Dollars and no Cents (\$51,497.00) plus simple interest at 9% from July 8, 1988 until the date of payment of this award; Respondents Howard Goldberg and Martin Salzman shall each pay to Claimant, Leon Schwartz the sum of Two Thousand Eight Hundred Sixty Dollars and Ninety Five Cents (\$2,860.95) plus simple interest at 9% from July 8, 1988 until the date of payment of this award;

2. With respect to Case #88-02213, Respondent, Prudential Bache Securities, Inc. shall pay to Claimants, Mendel and ETTY Strul the sum of Twenty One Thousand Six Hundred Dollars and no cents (\$21,600.00) plus simple interest at 9% to date of payment; Respondents Howard Goldberg and Martin Salzman shall each pay to Claimants, Mendel and ETTY Strul, the sum of One Thousand Two Hundred dollars and no cents (\$1,200.00) plus simple interest from June 6, 1988 to date of payment;

3. With respect to Case #88-02214, Respondent, Prudential Bache Securities, Inc., shall pay to Claimant, Helen K. Urban the sum of Seventeen Thousand Three Hundred Sixty Five Dollars and Fifty Cents (\$17,365.50) plus simple interest at 9% from August 22, 1988 to date of payment; Respondents, Howard Goldberg and Martin Salzman, shall each pay to Claimant, Helena Mitchell, the sum of Nine Hundred Sixty Four Dollars and Seventy Five Cents (\$964.75) plus simple interest at 9% from August 22, 1988 to date of payment;

4. With respect to Case #88-02215, Respondent, Prudential Bache Securities, Inc., shall pay to Claimant, Helena Mitchell, the sum of Seventeen Thousand Three Hundred Sixty Six Dollars and Fifty Cents (\$17,366.50) plus simple interest at 9% from August 22, 1988 to date of payment;

AWARD #88-02212 - #88-02219

Respondents, Howard Goldberg and Martin Salzman, shall each pay to Claimant, Helena Mitchell, the sum of Nine Hundred Sixty Four Dollars and Seventy Five Cents (\$964.75) plus simple interest at 9% from August 22, 1988 to date of payment;

5. With respect to Case #88-02216, Respondent, Prudential Bache Securities, Inc., shall pay to Claimants, Lynde H. and Anthony T. Gaglia, the sum of Seven Thousand Two Hundred Ninety Four dollars and Fifty Cents (\$7,294.50) plus simple interest at 9% from July 7, 1988 to date of payment; Respondents, Howard Goldberg and Martin Salzman shall each pay to Claimants, Lynde H. and Anthony T. Gaglia, the sum of Four Hundred Five Dollars and Twenty Five Cents (\$405.25) plus simple interest at 9% from July 7, 1988 to date of payment;

6. With respect to Case #88-02217, Respondent, Prudential Bache Securities, Inc., shall pay to Claimant, William G. Raney, the sum of Twelve Thousand Seven Hundred Twelve Dollars and Fifty Cents (\$12,712.50) plus simple interest at 9% from June 22, 1988 to date of payment. Respondents, Howard Goldberg and Martin Salzman shall each pay to Claimant, William G. Raney, the sum of Seven Hundred Six Dollars and Twenty Five Cents (\$706.25) plus simple interest at 9% from June 22, 1988 to date of payment;

7. With respect to Case #88-02218, Respondent, Prudential Bache Securities, Inc., shall pay to Claimant, David Russell, the sum of Four Thousand One Hundred Seven Dollars and Sixty Cents (\$4,107.60) plus simple interest at 9% from May 22, 1988 to date of payment; Respondents, Howard Goldberg and Martin Salzman, shall each pay to Claimant, David Russell, the sum of Two Hundred Twenty Eight Dollars and Twenty Cents (\$228.20) plus interest at 9% from May 22, 1988 to date of payment;

8. With respect to Case #88-02219, Respondent, Prudential Bache Securities, Inc., shall pay to Claimant, Gloriana V. Urban, the sum of Fourteen Thousand Nine Hundred Forty Seven Dollars and Twenty Cents (\$14,947.20) plus simple interest at 9% from August 2, 1988 to date of payment; Respondents, Howard Goldberg and Martin Salzman, shall each pay to Claimant, Gloriana V. Urban, the sum of Eight Hundred Thirty Dollars and Forty Cents (\$830.40) plus simple interest at 9% from August 22, 1988 to date of payment;

9. With respect to Case #88-02212; #88-02213; #88-02214; #88-02215; #88-02216; #88-02217; #88-02218 and #88-02219 The Third-Party claims against Gloriana V. Urban be and hereby are dismissed in all respects;

AWARD-#88-02212 - #88-02219

10. With respect to Case #88-02212, #88-02215 and #88-02219 the counterclaims of Respondents, Prudential Bache Securities Inc., Howard Goldberg and Martin Salzman against Claimants, Leon Schwartz, Helena Mitchell and Gloriana V. Urban be and hereby are dismissed in all respects;

11. The Parties shall each bear their respective costs, including attorneys' fees;

12. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$3,500.00 in filing fees previously deposited by the Claimants;

13. Respondent, Prudential Bache Securities, Inc. is assessed forum fees in the amount of \$11,500.00 payable to the NASD, Inc. through its staff administrator in accordance with Section 43 of the Code of Arbitration Procedure. (This amount represents a consolidation of the forum fees assessable in consolidated cases #88-02212, #88-02213, #88-02214, #88-02215, #88-02216, #88-02217, #88-02218 and #88-02219.

ARBITRATORS CONCURRING

/s/

Arnold L. Goren

/s/

Henry H. Balter

/s/

Paul Barr