

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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IN THE MATTER OF THE ARBITRATION BETWEEN	:
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Martin A. Drop	:
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Claimant	: Case #88-03944
	:
vs.	: AWARD
	:
	:
Prudential-Bache Securities, Inc. and	:
David Terpoilli	:
	:
Respondents	:
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CASE SUMMARY

Claimant Martin D. Drop ("Drop") alleged that he entered into a broker-client relationship with Respondent David Terpoilli ("Terpoilli") at Dean Witter Reynolds, Inc. ("Dean Witter"). Claimant alleged that Respondent Terpoilli thereafter left Dean Witter and transferred to Prudential-Bache Securities, Inc. ("Pru-Bache"), and that Claimant went with him. Claimant alleged that Respondent Terpoilli was supposed to transfer funds from Dean Witter to Pru-Bache to cover subsequent purchases made at Pru-Bache. Claimant further alleged that Respondent failed to have these funds, namely the Delaware Cash Reserve Fund, properly transferred. Claimant alleged that this failure to properly effectuate transfer of the fund caused the Claimant to have insufficient funds to cover the trades that were subsequently executed at Pru-Bache. Further, Claimant alleged that this insufficiency caused the liquidation of Claimant's positions at Pru-Bache, resulting in losses to the Claimant.

Respondents Pru-Bache and Terpoilli denied all allegations made against them. Specifically, Respondents contended that David Terpoilli never informed the Claimant that he would effectuate transfer of the fund, but did indicate that the Claimant would be personally responsible for the liquidation of the fund. Respondents contended that they always acted properly and further attempted to accommodate the Claimant by offering him the opportunity to have his investments reinstated upon payment of the original purchase price; the Claimant refused.

RELIEF REQUESTED

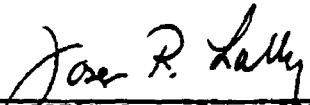
Claimant Drop requested actual damages of \$18,404.78. Respondents Pru-Bache and Terpoilli requested dismissal of all claims, plus costs.

AWARD

On January 10, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Martin A. Drop on December 20, 1988, and by Respondent Prudential-Bache Securities, Inc. on June 19, 1989 and by Respondent David Terpoilli on August 10, 1989. The hearing was held at the offices of the National Association of Securities Dealers, Inc. in Philadelphia, PA and consisted of one (1) hearing session. 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. All claims made against Respondent Prudential-Bache Securities, Inc. be and hereby are dismissed in their entirety.
2. All claims made against Respondent David Terpoilli be and hereby are dismissed in their entirety.
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 retain the \$400.00 filing fee previously deposited by the Claimant as costs of the one (1) hearing session conducted in this matter.

CONCURRING ARBITRATORS




JOSEPH R. LALLY, ESQ.



HOWARD B. ASHER

Dated: February 8th, 1990



EDWARD T. BORER