

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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IN THE MATTER OF THE ARBITRATION BETWEEN :  
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Mrs. Henry R. Jacoby :  
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 : Claimant : Case #89-00989  
 :  
vs. : AWARD  
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 :  
Prudential-Bache Securities, Inc. and :  
Kassover :  
 :  
 : Respondents :  
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CASE SUMMARY

Claimant Mrs. Henry R. Jacoby alleged that she purchased shares of the Prudential-Bache Government Plus Fund based upon Respondent Bernard Kassover's, an employee of Respondent Prudential-Bache Securities, Inc., recommendation and representation that this was a safe investment not subject to a decrease in capital. Claimant alleged she was not provided with a prospectus on the Fund, nor did Respondent Kassover explain the risk of depletion in capital, or that she would be charged redemption fees upon the sale of the Fund. The Claimant alleged the Fund subsequently decreased in value and as a result she has suffered damages.

Respondents Prudential-Bache and Bernard Kassover contended the Claimant was an experienced investor who purchased the Fund with full knowledge of the risks involved. Moreover, the Respondents contended that the Claimant was provided with a prospectus and that Respondent Kassover carefully explained to the Claimant that the price of the Fund could go up or down and that she would be charged a redemption fee upon the sale of the Fund.

RELIEF REQUESTED

Claimant Mrs. Henry R. Jacoby requested actual damages of \$16,000.00 plus 8% interest. Respondents Prudential-Bache and Bernard Kassover requested dismissal of the Statement of Claim in its entirety.

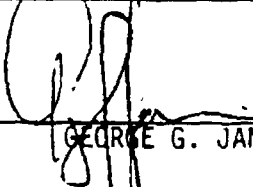
AWARD

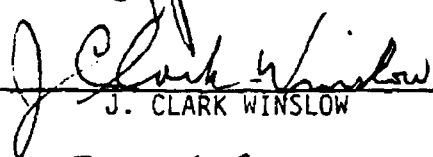
On March 23, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Mrs. Henry R. Jacoby on March 29, 1989, by Respondent Prudential-Bache Securities, Inc. on May 17, 1989 and by Respondent Bernard Kassover on April 26, 1989. The hearing was conducted at the Marriott Hotel in Albany, NY and consisted of one (1) hearing session. The arbitration panel, having considered the

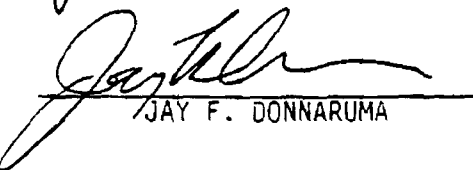
pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondent Bernard Kassover be and hereby are dismissed in their entirety.
2. Respondent Prudential-Bache Securities, Inc. be and hereby is liable and shall pay to the Claimant Mrs. Henry R. Jacoby the sum of Two Thousand Five Hundred Ninety Seven Dollars and No Cents (\$2,597.00), plus 8% interest from November 29, 1988 until the satisfaction of this award.
3. The parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 13 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, and the Respondent Prudential-Bache Securities, Inc. be and hereby is liable and shall pay to the Claimant Mrs. Henry R. Jacoby the sum of Four Hundred Dollars and No Cents (\$400.00) to offset this fee.

CONCURRING ARBITRATORS

  
4/9/90  
GEORGE G. JANIS

  
J. CLARK WINSLOW

  
JAY F. DONNARUMA

DATED: April 30th, 1990