

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Al Zelczer

90-00887

Name of Respondents

Prudential Securities, Inc.
Bradford Hagerman

REPRESENTATION

For Claimant: Stephen Willinger of Benesch, Friedlander, Caplan & Arnoff

For Respondent: Stephen J. Shine of Prudential Securities, Inc.

CASE INFORMATION

Statement of Claim filed: March 26, 1990

Claimant's Submission Agreement signed on: March 15, 1990

Statement of Answer filed by Respondents, Prudential Securities, Inc. and Bradford Hagerman on July 1, 1990.

Respondent, Prudential Securities, Inc. Submission Agreement signed on: June 29, 1990.

Respondent Bradford Hagerman did not execute a Submission Agreement; however he attended the hearing, was represented by counsel and had an answer filed on his behalf. Pursuant to Section 12(a) of the Code of Arbitration Procedure, the Presiding Arbitrators exercised their jurisdiction over Respondent Bradford Hagerman.

HEARING INFORMATION

Hearing Date/Sessions: August 27, 1991, 2 sessions

Hearing Location: Cleveland, Ohio

CASE SUMMARY

Claimant, Al Zelczer ("Claimant") alleged that Respondent, Bradford Hagerman ("Hagerman") made a representation that he would handle Claimant's account by conducting trades that mirrored the trading of Aaron Fleck. Claimant alleged that Hagerman made material misrepresentations in order to induce Claimant to liquidate his holdings of LIN Broadcasting Corporation shares. Claimant alleged that Hagerman engaged in unauthorized transactions. Claimant alleged that Respondent Prudential Securities, Inc. ("Prudential") was responsible for Hagerman's conduct under the doctrine of respondeat superior and because of its failure to properly supervise.

Respondents maintained that all trades made by Hagerman were authorized and ratified by the Claimant and that Hagerman did not make misrepresentations to Claimant. Respondents maintained that Claimant kept in contact with Aaron Fleck and consulted with him regarding various trades. Respondents Prudential maintained that it properly supervised Hagerman's handling of Claimant's account.

RELIEF REQUESTED

Claimant requested: At the hearing, Claimant amended his claim for damages seeking damages in the amount of \$319,828.00 plus interest and costs.

Respondents requested: That Claimant's claim be dismissed in its entirety.

AWARD

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remain on file with the NASD.

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

The panel finds in favor of Respondents.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

Claimant shall pay outstanding postponement fees in the amount of \$2,000.00.

Respondents shall pay Forum Fees in the amount of \$2,000.00.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Concurring Arbitrators' Signatures:

_____/s/_____
Roger W. Van Deusen, Esq.
Public Arbitrator

_____/s/_____
Robert E. Bingham, Esq.
Public Arbitrator

_____/s/_____
Henry V. Kerr, Esq.
Industry Arbitrator

Date of Decision: September 19, 1991