

Arbitration

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
One East Broward Boulevard  
Suite 1000  
Ft. Lauderdale, Florida 33301  
(305) 522-7391

In the Matter of the Arbitration Between )

Name of Claimant(s) )

Valdee B. Soule, individually & as  
Trustee )

of the Valdee B. Soule Family Trust )

Case No. 90-02213

Name of Respondent(s) )

Prudential Securities Inc. )

Heard before the members of the arbitration Panel:

Mary Jean McAllister, Esq.  
William G. Kline  
Warren A. Forest

Public  
Public  
Industry

REPRESENTATION

Claimant, Valdee B. Soule, individually and as trustee of the Valdee B. Soule Family Trust ("Soule"), was represented by Philip Snyderburn, Esq. of Snyderburn, Rishoi & Swann.

Respondent, Prudential Securities, Inc. ("Prudential"), was represented by John D. Boykin, Esq. of Boose, Casey, Ciklin, et al.

CASE SUMMARY

This matter was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD"), on August 14, 1990. Claimant alleged that Respondent was liable for failing to follow Claimant's objectives and failing to supervise its employee. Claimant alleged that the limited partnership purchased for her account was unsuitable in light of Claimant's investment objectives.

Respondent, Prudential, filed a Statement of Answer with the NASD on September 21, 1990. Respondent denied all allegations of wrongdoing and alleged that: Claimant was provided with prospectuses; Claimant consented to the transactions; Claimant's investment objectives were met; the investments were safe and suitable for Claimant; and punitive damages are not available under New York law in arbitration.

Respondent alleged the affirmative defenses of ratification; estoppel and waiver.

### RELIEF REQUESTED

Claimant requested rescission of the purchases in the amount of \$65,000.00 plus interest and punitive damages.

Respondent requested dismissal of the claim, plus costs.

### AWARD

On June 10, 11, and July 10, 11, 1991, in Tampa, Florida, during hearings lasting nine (9) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant, Soule, on July 20, 1990 and signed on February 8, 1991 by Richard Dzedziula on behalf of Respondent, Prudential.

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

1. 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 originals remain on file with the NASD.
2. Respondent, Prudential, is found liable and shall pay to the Claimant the amount of \$53,555.39 inclusive of interest.
3. Simultaneously with the payment of the amount specified in paragraph #2, Claimant shall tender, and execute the necessary documents to transfer ownership, to Respondent the investments known as PB17, PB20, and Polaris IV.
4. Claimant's request for costs and punitive damages is denied.

### FORUM FEES

1. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$4,500.00 (9 sessions x \$500.00 per session) Respondent, Prudential, is hereby assessed \$4,500.00, \$500.00 of which shall be paid directly to the Claimant, and \$4000.00 of which shall be paid to the National Association of Securities Dealers, Inc. The NASD shall retain the \$500.00 hearing session deposit previously deposited by Claimant in partial satisfaction of such forum fees. Additionally, Respondent shall refund to Claimant the \$150.00 non-refundable filing fee previously deposited by Claimant.
2. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorney's fees.

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

OTHER ISSUES

None.

Concurring Arbitrators' Signatures

/s/  
Mary Jean McAllister, Esq.

/s/  
Warren A. Forest

/s/  
William G. Kline

Date of Decision: October