

- NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
: Jabe M. Pratt :
Kathlyn Y. Pratt :
: Claimants :
: CASE #90-03009 :
vs. : AWARD :
: Prudential Securities, Inc. :
James D. Gaberino :
: Respondents :

CASE SUMMARY

Pro Se Claimants Jabe M. and Kathlyn Y. Pratt, in a claim filed with the National Association of Securities Dealers, Inc. on October 25, 1990, alleged that Respondents Prudential-Bache Securities, Inc. now known as Prudential Securities, Inc. and account executive James D. Gaberino failed to credit to their account a special dividend distribution for shares of Kroger Company stock which included a cash dividend and debentures.

Respondents, in a joint Statement of Answer submitted by their counsel Christopher R. Trepani, New York, NY, maintained that Claimants were not entitled to the special dividend because Claimant's option on the stock in question was assigned on November 30, 1988 before the cash dividend and debentures were rightfully theirs. They state that Claimants took a well-calculated risk when placing the buy and sell orders on the Kroger with Mr. Gaberino.

Claimants affirm that an "Information Memo" they received gives December 19, 1988 as the first notice that the option had been assigned.

Claimants submitted additional information dated August 13, 1991.

RELIEF REQUESTED

Claimants request Four Thousand Dollars (\$4,000) dividend credited to their account with nine and one half percent (9 1/2%) interest compounded from October 28, 1988 on said dividend and the

Sub. Jr. Debentures due from the special dividend. In the alternative, they request fifteen and one half percent (15 1/2%) interest on the Seventeen Dollars (\$17) face value debentures paid on the year of 2006 when due. He also requests punitive damages and return of the NASD fees.

Respondents request dismissal of the Claims in their entirety and costs of this arbitration assessed against the Claimants.

AWARD

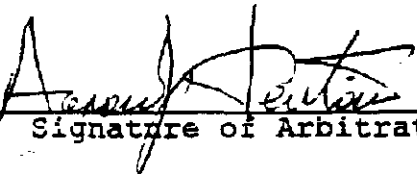
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Aaron J. Fenton, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on July 15, 1991 and by the Respondents on May 30, 1991 and August 2, 1991, respectively;

And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Respondents Prudential-Bache Securities, Inc. now known as Prudential Securities, Inc. and James D. Gaberino are jointly and severally liable and shall pay to the Claimants Jabe M. and Kathlyn Y. Pratt the sum of One Thousand Two Hundred Dollars (\$1,200) plus interest at the rate of 10% per annum from December 7, 1988 until payment of the award.
2. That all other claims of the parties be, and hereby are, dismissed.
3. The parties shall bear their respective costs including attorney's fees.
4. The One Hundred Twenty-Five Dollars (\$125) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc.

AFFIRMATION

I, AARON J. FENTON, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

EXECUTED &

DATED: *September 27, 1991*