

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
: Marla J. & James Stepanic :
: Claimant :
: CASE #90-03212
vs. : AWARD
: Prudential-Bache Securities n/k/a :
: Prudential Securities, Inc. :
Walt Pierce :
Peggy Yoos :
: Respondents :

CASE SUMMARY

Marla J. and James Stepanic, in a claim filed with the National Association of Securities Dealers, Inc. on November 14, 1990, alleged that Prudential advisors, Walt Pierce and Peggy Yoos made unsuitable recommendations to purchase high risk securities, contrary to Claimants' expressed objectives.

Respondents, in a joint Statement of Answer, maintain that Claimants were never misled regarding their purchase of FEXC G which they allege, was entirely consistent with Claimant's investment objectives.

Claimants reply that Mr. Pierce initiated the contact to purchase FEXC G stock, asserted that it would be "as safe as CD's", represented no downside risk and state that they did not sell their stock because they thought their claim would not be preserved if they sold the stock in question.

RELIEF REQUESTED

Claimants request a buy back of 300 shares of First Executive Preferred G stock for their cost of Four Thousand Six Hundred Six Dollars and No Cents (\$4,606.00) plus the One Hundred Twenty-Five Dollars and No Cents (\$125.00) arbitration filing fee.

Respondents request dismissal of the Statement of Claim in its entirety and that each party bear their own costs.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Sherman S. Cohen, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on November 5, 1990 and by the Respondents on January 14, 1991 and January 12, 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 Securities, Inc., Walt Pierce and Peggy Yoos are jointly and severally liable and shall pay to the Claimants Marla J. and James Stepanic, the sum of Four Thousand Six Hundred Six Dollars and No Cents (\$4,606.00).
2. That upon payment of said Four Thousand Six Hundred Six Dollars and No Cents (\$4,606.00) by Respondents to Claimants, Claimants shall transfer to Respondents their shares of FEXC G stock.
3. The parties shall bear their respective costs including attorney's fees.
4. That Sixty-Two Dollars and Fifty Cents (\$62.50) of the filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants, is assessed jointly and severally against the Respondents and payable by the Respondents to the Claimants.

AFFIRMATION

I, **SHERMAN S. COHEN**, 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.

/s/

Signature of Arbitrator

DATED: April 11, 1991