



N.A.S.D. AWARD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant(s)

Herbert M. Linsenberg

91-00225

Name of Respondent(s)

Prudential Securities Inc

REPRESENTATION

For Claimant: John W. Morris, Esq.

For Respondent: Marc S. Dobin of Prudential-Bache Securities, Inc.

CASE INFORMATION

Statement of Claim received: 1/22/91

Claimant's Submission Agreement signed on: 6/14/90

Statement of Answer received on: 1/22/91

HEARING INFORMATION

Hearing Date: 6/27/91 - Two (2) Sessions

Hearing Location: Philadelphia, PA

CASE SUMMARY

Claimant, Herbert M. Linsenberg, alleged that Respondent, Prudential-Bache Securities, Inc. gave Claimant unsuitable investment advice which violated Claimant's stated investment objectives-that of limited risk and reward; That Respondent was untruthful in communicating the substance and source of its recommendations; That Respondent's subsequent advise was unsuitable for limiting losses but rather compounded and increased them; That Respondent's advice ignored its own research department's recommendation as well as public information available to Respondent all of which resulted in substantial monetary losses to Claimant.

AWARD-#91-00225

Respondent, Prudential-Bache Securities, Inc., maintained that Claimant was an experienced investor with a history of several years of options trading and speculation who relied on his own experience as much as Respondent's advice; Several trades were made at Claimant's instigation, not at Respondent's; Respondent's advice was reasonable based on the information available at the time.

RELIEF REQUESTED

Claimant requested: Recovery of his losses in the amount of \$141,545.85 plus Costs, Attorneys' fees and punitive damages.

Respondent requested Dismissal of the Claim, Attorneys' fees and costs.

AWARD

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 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).

1. Respondent, Prudential-Bache Securities, Inc., shall pay to Claimant, Herbert M. Linsenberg, the sum of Sixty Six Thousand Eight Hundred Dollars and no cents (\$66,800.00) exclusive of interest;
2. Claimant's Claim for punitive damages shall be and is hereby dismissed in all respects;
3. The parties shall each bear their respective costs, including Attorneys' Fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed:

Claimant, Herbert M. Linsenberg, is hereby assessed Forum Fees in the amount of \$950 (\$200 non-refundable deposit + \$750 hearing session deposit not previously deposited by Claimant and owed to the NASD);

Respondent, Prudential-Bache Securities, Inc. is hereby assessed forum fees in the amount of \$750 (1 sessions @ \$750).

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

AWARD-#91-00225

ARBITRATION PANEL

CONCURRING ARBITRATORS' SIGNATURES

/s/

Joseph Farrell, Jr.
(Public/Chairman)

/s/

Lionel Goulet
(Public/Panelist)

/s/

Cornelius C. Clancy
(Industry/Panelist)

DATED BY THE NASD, INC.: July 26, 1991