

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
:
Susan E. Sordon :
:
:
Claimant :
:
vs. :
:
D. Kevin Burggraaf :
Prudential Securities, Inc. :
:
:
Respondents :

CASE #91-00763

CASE SUMMARY

Susan E. Sordon, Pro Se, in a claim filed with the National Association of Securities Dealers, Inc. on March 11, 1991, alleged that Respondent and former broker, D. Kevin Burggraaf, while employed in the Pasadena, CA office of Prudential-Bache Securities, Inc. now known as Prudential Securities, Inc., misrepresented to her that M.D.C. Asset Investors, Inc. mortgaged bonds would always pay at least 9.25% but that their value would vary with the overall interest rate. She further states that her tax accountant explained that Mr. Burggraaf had used her Ten Thousand Dollars and No Cents (\$10,000.00) as collateral to borrow money to invest in another kind of bond and that she now owed Prudential about \$5,000.00 plus interest.

Respondents, D. Kevin Burggraaf and Prudential Securities, Inc. by their attorney, Christopher P. Trapani, Esq., New York, NY, deny Claimant's allegation that her purchase on margin of M.D.C. Asset Investors, Inc. stock was unauthorized. Respondents deny that Claimant did not earn any income in 1988 or 1989 and state that she earned dividends and interest and that if she had not sold the stock, would have earned increased earnings and more than made up for the Three Dollars and No Cents (\$3.00) decline in the stock.

RELIEF REQUESTED

Claimant requests relief in the form of either a cancellation of all transactions other than the initial purchase of bonds along with all losses and expenses or the return of the original Ten Thousand Dollars and No Cents (\$10,000.00) investment plus interest at 9.5% from the date of investment.

Respondents request that all claims be dismissed in their entirety and all costs of this arbitration be assessed against the Claimant.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Walter P. Hitchcock, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on March 1, 1991 and by the Respondent D. Kevin Burggraaf on June 13, 1991 and by Prudential Securities, Inc. on July 9, 1991;

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 D. Kevin Burggraaf and Prudential Securities, Inc. are jointly and severally liable and shall pay to the Claimant the sum of Ten Thousand Dollars and No Cents (\$10,000.00) plus nine percent (9%) interest from July 21, 1988 to the date of payment of this award.
2. That the securities in Claimant's account number OPH066091 shall be retained by Prudential Securities, Inc.
3. The parties shall bear their respective costs including attorney's fees.
4. The One Hundred Fifty Dollars and No Cents (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. and is assessed jointly and severally against Respondents D. Kevin Burggraaf and Prudential Securities, Inc. who shall pay One Hundred Fifty Dollars and No Cents (\$150.00) to Susan E. Sordon, Claimant.

Page Three
Award #91-00763

AFFIRMATION

I, WALTER P. HITCHCOCK, 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.

A handwritten signature in dark ink, appearing to read 'W. P. Hitchcock', written over a horizontal line.

Signature of Arbitrator

DATED:

9/3/91