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Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 1000

In the Matter of the Arbitration Between

Name of Claimant

Rocky J. Cirino

91-00961

Name of Respondents

Prudential Securities Inc
William Gordon

REPRESENTATION

For Claimant: Robert W. McIntyre, Esq. of McIntyre, Kahn & Kruse.

For Respondents: Herbert J. Marek, Associate Vice President, Assistant
General Counsel, Prudential Securities, Inc.

CASE INFORMATION

Statement of Claim filed: March 25, 1991.

Claimant's Submission Agreement signed on: March 15, 1991.

Statement of Answer filed by Respondents on: May 28, 1991.

Respondent Prudential Securities, Inc.'s Submission Agreement signed on:
June 14, 1991.

Respondent William Gordon's Submission Agreement signed on: June 5, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: October 9, 1991 - two sessions
October 10, 1991 - two sessions

Hearing Location: NASD Office, Cleveland, Ohio

CASE SUMMARY

Claimant Rocky J. Cirino ("Claimant") alleged he was an unsophisticated
investor and that he told Respondent William Gordon ("Gordon") that he wanted

to invest in conservative investments. Claimant alleged that Gordon, Claimant's son-in-law, made material misrepresentations to induce the Claimant to invest his entire lifesaving with Respondent Prudential Securities, Inc. ("Prudential") and Gordon. Claimant alleged that Gordon told Claimant, that he would invest Claimant's money in investments that were guaranteed by the full faith and credit of the United States Government. Claimant alleged that instead Gordon invested Claimant's money in a series of unsecured funds and trusts which were primarily engaged in trading options, futures and hedges in American and foreign currencies and government debt instruments and in various mortgage instruments and mortgage residuals. Claimant alleged that in each investment, he relied entirely on the expertise and experience of Gordon. Claimant alleged that Gordon ignored Claimant's stated investment objectives and did not purchase investments guaranteed by the full faith and credit of the United States Government.

Respondents Prudential and Gordon (collectively referred to as "Respondents") maintained that Claimant's lifestyle required Claimant to seek out investments that would produce more income than what he was receiving prior to opening an account with Respondents. Respondents maintained that Claimant solicited investment advice from Gordon prior to opening an account with Respondents and that Claimant chose to open an account with Gordon as his broker in 1987. Respondents maintained that Gordon fully described, disclosed and reviewed all proposed investments with Claimant in person. Respondents maintained that Claimant was provided with Prospectuses and that Claimant ratified the purchases of all investments. Respondents maintained that all investments were made with Claimant's consent. Respondent maintained that Gordon did not tell Respondent that the proposed investments were government backed but rather that some of the funds Claimant purchased held portfolios containing government backed securities or investments. Respondents maintained that the investments that Claimant made were properly characterized by Gordon as funds which held portfolios of government backed securities which complied with Claimant's investment objective. Respondents maintained that Claimant did not lose money.

RELIEF REQUESTED

Claimant requested: compensatory damages in the an amount of \$51,873.97.

Respondents requested: that claimant's claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may 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.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

That the Panels finds in favor of the Claimant and that the Respondents are jointly and severally liable to the Claimant and shall pay to the Claimant the sum of TWENTY EIGHT THOUSAND SIX HUNDRED NINETY-EIGHT AND 00/100 DOLLARS (\$28,698.00); inclusive of interest.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the forum fees for the four hearing sessions are equally assessed between the Claimant and the Respondents.

Claimant is assessed forum fees in the amount of \$1000 (two hearing sessions x \$500) but is entitled to offset this amount with his hearing deposit of \$500; so that the amount due from the Claimant as forum fees is \$500.

Respondents are jointly and severally assessed forum fees in the amount of \$1000.

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

Concurring Arbitrator's Signature
Name

Public/Industry

Industry Arbitrator


Jay C. Fennell

Date of Decision: _____

DATED: November 13th, 1991

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

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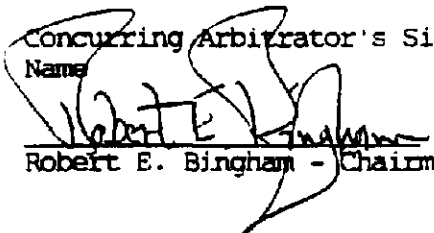
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Concurring Arbitrator's Signature

Name


Robert E. Bingham - Chairman

Public/Industry

Public Arbitrator

Date of Decision:

11/4/91

DATED: November 13th, 1991

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

Concurring Arbitrator's Signature

Name


Michael A. Wypasek, Esq.

Public/Industry

Public Arbitrator

Date of Decision: _____

DATED: November 13th, 1991