

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Jerry G. Walz

Claimant

VS.

Prudential-Bache Securities, Inc. n/k/a
Prudential Securities, Inc. and
Philip K. Harris

Respondents

CASE #91-01076
AWARD

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on April 5, 1991, Claimant Jerry G. Walz, who appeared Pro Se, alleged that Respondents, Prudential-Bache Securities, Inc. and Philip K. Harris misled him into investing in Prudential-Bache Energy Income Partnership II 84-P7, which he was told was a safe investment, and would generate an annual cash flow of 15%. The Claimant further alleged that he was never informed that the investment value would decrease, nor was he informed of the negative tax consequences. The Claimant also alleged that this investment was unsuitable considering his financial situation and investment objectives.

The Respondents, Prudential-Bache Securities, Inc. and Philip K. Harris, through their in-house counsel Joel Levinson, Esq., maintained that this investment was not unsuitable for the Claimant's investment objectives, and that he was provided with a prospectus regarding this investment and that the Claimant had received a reasonable return on the investment. The Respondents also maintained that the Claimant should be time-barred from filing this claim since over six years had elapsed from the date of the purchase of the investment, and that if the investment was unsuitable, it would have been at the time of the investment.

RELIEF REQUESTED

Claimant, Jerry G. Walz requested \$10,000.00 in actual damages, plus interest.

Respondents, Prudential-Bache Securities, Inc. and Philip K. Harris requested the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Lionel Heller, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on April 2, 1991, by the Respondent, Prudential-Bache Securities, Inc. on May 20, 1991 and by Respondent, Philip K. Harris on April 29, 1991.

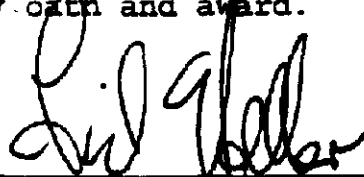
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondents, Prudential-Bache Securities, Inc. and Philip K. Harris are jointly and severally liable and shall pay \$6,200.00 in actual damages to the Claimant, Jerry G. Walz.
2. Claimant, Jerry G. Walz's request for interest is denied.
3. The Respondent's allegations that the claim is time-barred is denied.
4. The parties shall bear their respective costs.
5. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondents Prudential-Bache Securities, Inc. and Philip K. Harris shall pay \$150.00 to Claimant Jerry G. Walz as reimbursement.

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AFFIRMATION

I, **LIONEL HELLER**, 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 "Lionel Heller", is written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: April 23, 1992