

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
John S. and Mildred C. Wall :
Claimants :
vs. : CASE #91-01535
Prudential Securities, Inc. : AWARD
Respondent :

CASE SUMMARY

Pro Se Claimants John S. and Mildred C. Wall, in a claim filed with the National Association of Securities Dealers, Inc. on May 20, 1991, alleged that Respondent's former registered representative and their broker, Ed Rutherford, invested the entire proceeds of their matured CD into Southmark Corporation instead of the Two Thousand Dollars (\$2,000) authorized for Southmark with the remainder to be invested in a certificate of deposit. They state that this was an unauthorized purchase and they were never appraised of any risks involved. They confirm that Southmark currently has little value.

Respondent, by its attorney George C. McGuigan, Jr., New York, NY, maintained that Claimants did authorize the trade in question, had knowledge of the amount invested in Southmark, received a confirmation of the purchase, monthly statements and failed to complain until more than two years after the purchase. They continue that had this matter been brought to the attention of Respondent sooner, it is reasonable to assume that Southmark could have been sold thereby substantially mitigating the loss.

RELIEF REQUESTED

Claimants request Ten Thousand Dollars (\$10,000) in damages plus reasonable interest.

Respondent requests dismissal of the claim in its entirety.

AWARD

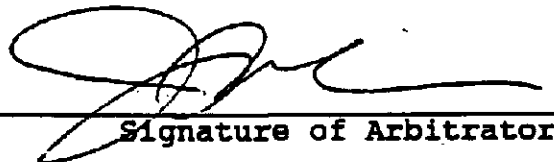
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, John P. Cullem, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on May 13, 1991 and by the Respondent on July 1, 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 Respondent Prudential Securities, Inc. is liable and shall pay to the Claimants John S. and Mildred C. Wall the sum of Two Thousand Eighty-Seven Dollars and Two Cents (\$2,087.02) in principal damages plus pre-judgement interest at twelve percent (12%).
2. That a Two Hundred Dollar (\$200) forum fee is assessed against the Respondent who shall pay Two Hundred Dollars (\$200) to the NASD, Inc.
3. The One Hundred Fifty Dollar (\$150) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc.

AFFIRMATION

I, JOHN P. CULLEM, ESQ., 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.



Signature of Arbitrator

DATED: October 9, 1991