

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Donald & Arlene Kent

vs.

NASD #91-01926

Name of Respondents

Prudential-Bache Securities, Inc.  
John Palmer  
Donald Reiss

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REPRESENTATION

For Claimants: James C. Krause, Esq., San Diego, California.

For Respondents: Terry Ross, Esq., Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed: June 21, 1991

Claimants' Submission Agreements signed on: June 14, 1991

Joint Statement of Answer filed by Respondents on: October 1, 1991  
Respondents' Submission Agreements signed on:

Prudential-Bache:	None submitted
John Palmer:	September 25, 1991
Donald Reiss:	September 25, 1991

HEARING INFORMATION

Hearing Date/Sessions: April 15, 1992 (3 sessions)

Hearing Location: San Diego, California

### CASE SUMMARY

Claimants alleged lack of suitability and negligent misrepresentation with respect to their investments in Summit Tax Exempt L.P. II, Summit Insured Equity L.P., the MFS Government Securities High Yield Trust, and Prutech Research and Development II.

Respondents denied the allegations of wrong doing. Respondents alleged that Claimants were fully informed of the market risks associated with their investments, and that any losses suffered in the investments were not the result of actions by Respondents. Respondents further asserted that this action is barred by applicable statutes of limitations.

### RELIEF REQUESTED

Claimants requested damages of \$52,616, plus interest, and costs of arbitration.

Respondents requested dismissal of all claims.

### 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, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims asserted by Claimants are dismissed in their entirety.
2. The parties shall each bear their respective costs including attorney's fees.

### FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed against Claimants:

3 sessions @ \$500/session	= \$1,500.00
Credit for \$500 hearing session deposit	\$ 500.00
Balance due	<u>\$1,000.00</u>

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

ARBITRATION PANEL

Name

Public/Industry

itor  
itor  
rator

Dolores B. Wolfe  
Dolores B. Wolfe

Date of Decision: April 15 1992

Served May 13, 1992