

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Shirlee Pasquariello, Trustee-D. Pasquariello
Shirlee Pasquariello, Trustee-V. Pasquariello
Shirlee Pasquariello, Trustee-N. Pasquariello

NASD Arbitration
No. 91-03842

Name of Respondent(s)

Waddell & Reed, Inc.

REPRESENTATION

For Claimants: Shirlee Pasquariello, Boise, Idaho

For Respondent: Rodney O. McWhinney, Esq., Waddell & Reed, Inc., Shawnee
Mission, Kansas

CASE INFORMATION

Statement of Claim filed: December 4, 1991
Claimants' Reply to Respondent's Motion to Dismiss filed: October 8, 1992
Claimants' Submission Agreements signed: January 3, 1992

Statement of Answer filed by Respondent: March 20, 1992
Motion to Dismiss filed by Respondent: September 18, 1992

Respondent, Waddell & Reed, Inc. did not file a properly executed Submission Agreement but is subject to National Association of Securities Dealers, Inc.

(NASD) jurisdiction in accordance with Section 12 of the Code of Arbitration Procedure.

HEARING INFORMATION

Pre-Hearing Conference: March 22, 1993 (one session)

Hearing Date(s)/Sessions: None

CASE SUMMARY

In her Statement of Claim, Shirlee Pasquariello, Trustee alleged that she was never advised of any risks regarding her investment in United High Income Fund, and also alleged that the investment was not suitable.

Respondent denied the allegations set forth in the Statement of Claim and asserted that Claimants' Claim is not eligible for submission to arbitration pursuant to Section 15 of the NASD Code of Arbitration Procedure. In its Motion to Dismiss, Respondent further alleged that Claimants' Claim is not eligible for submission to arbitration and asserted that Claimants' Claim is barred by applicable statute of limitations.

In response to the Motion to Dismiss, Shirlee Pasquariello, Trustee asserted that she had no knowledge of the statute of limitations in this matter and requested that Respondent's Motion to Dismiss be denied.

RELIEF REQUESTED

Claimant requested damages in the amount of \$27,000.00.

Respondent requested dismissal of Claimants' claim.

OTHER ISSUES CONSIDERED & DECIDED

None.

AWARD

After considering the pleadings, the motion papers and the oral arguments presented by the parties during the telephonic conference, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Waddell & Reed, Inc.'s Motion to Dismiss is granted as Claimants' Claim is time barred under Section 15 of the NASD Code of Arbitration Procedure.

2. All claims by Claimants are dismissed.

3. 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 NASD shall refund Claimants' hearing session deposit of \$300.00.

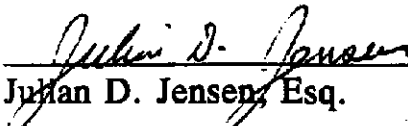
ARBITRATOR

Name _____ Public/Industry

Julian D. Jensen, Esq.

Public Arbitrator

Concurring Arbitrator's Signature



Julian D. Jensen, Esq.

Date of Decision: 4/27/93

Date Served: 05/14/93