

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Name of Claimant

92-00512

Name of Respondents

REPRESENTATION

For Respondents, Prudential Securities, Inc. and Frank G. Evans: William Healy, Esq. of Prudential Securities, Inc.

CASE INFORMATION

Claimant's Submission Agreement signed on: January 18, 1992.

Statement of Answer filed by Respondents, Prudential Securities, Inc. and Frank G. Evans on: August 7, 1992.

Respondents, Prudential Securities, Inc. and Frank G. Evans did not submit executed Submission Agreements.

HEARING INFORMATION

Pre-Hearing Conference: November 24, 1992

Hearing Dates/Sessions:

- March 2, 1993 - 2 Sessions**
- March 3, 1993 - 2 Sessions**
- March 4, 1993 - 2 Sessions**
- July 26, 1993 - 2 Sessions**
- July 27, 1993 - 2 Sessions**

Hearing Location: Hyatt Regency - Buffalo, New York.

CASE SUMMARY

Claimant alleges that he was referred to Respondents by a family friend and that he and Respondent, Frank G. Evans ("Evans") were longtime friends. Claimant alleges that he advised the Respondents that he wanted to invest his portfolio in safe investments, and in ordinary, not speculative stocks. Claimant alleges that the Respondents improperly invested his funds, churned his account and charged him interest and other fees, resulting in losses to him. Claimant alleges that, in disregard of his instructions, the Respondents began investing his funds on margin

Respondents maintain that the Claimant was apprised of the risks associated with the investment vehicles during conversations with Evans and through his receipt of prospectuses and confirmations for each investment. Respondents maintain that Claimant made all his own investment decisions, and that he was notified and apprised of the activity in his account by his receipt of monthly account statements. Respondents maintain that the Claimant maintained total control over his account and the account was not churned.

RELIEF REQUESTED

Claimant requested damages in the amount of \$106,239.00 plus arbitration costs and disbursements and reasonable attorney's fees.

Respondents requested that the Statement of Claim be dismissed in its entirety, that Claimant be required to pay all filing fees and forum fees, and that Claimant be ordered to pay Respondents' reasonable expenses, including attorney's fees and costs.

OTHER ISSUES CONSIDERED & DECIDED

Pursuant to the by-laws of the NASD, Respondents, Prudential Securities, Inc. and Frank G. Evans were required to submit to this arbitration, notwithstanding their failure to submit executed Submission Agreements. Therefore, Respondents are bound by this panel's rulings and determinations.

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) Respondents, Prudential Securities, Inc. and Frank G. Evans are hereby jointly and severally liable and shall pay to the Claimant the amount of \$60,000.00. This amount is exclusive of interest. The request for interest is hereby denied.
- 2) Each party shall bear their respective costs of this action, including attorney's fees.

FORUM FEES

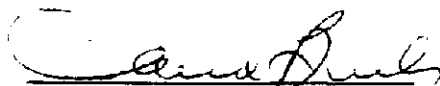
Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed.

\$200.00	Non-refundable filing fee
\$300.00	Pre-hearing Conference fee
\$6,750.00	Hearing Session Fees (\$750.00 x 9 sessions)

- 1) Total forum fees in the amount of \$7,250.00 are hereby assessed against Respondent, Prudential Securities, Inc. Prudential Securities, Inc. is hereby directed to re-imburse to the Claimant the amount of \$950.00 that Claimant previously deposited with the NASD, Inc. Prudential Securities, Inc. is directed to pay the balance of \$6,300.00 to the NASD, Inc.

Concurring Arbitrator's Signature
Name

Public Chairperson


David Buch, Esq.

Date of Decision: September 23, 1993

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:

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Concurring Arbitrator's Signature
Name

Industry Arbitrator


Maryann Donahue-Yadon

Date of Decision: September 23, 1993

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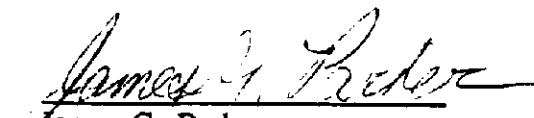
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Concurring Arbitrator's Signature
Name

Public Arbitrator


James G. Parker

Date of Decision: September 23, 1993