

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Donnee Casper, individually;
Donnee Casper, Ph.D., P.S.;
Donnee Casper, Ph.D., P.S.
Defined Benefit Pension Plan;
and Donnee Casper, Trustee

NASD Arbitration
No.92-03971

Name of Respondent(s)

Prudential Securities, Inc.,

REPRESENTATION

For Claimant: Jack G. Orr, Esq., Harris, Orr & Wakayama, Seattle, Washington.

For Respondent: Patricia Fitzpatrick, Esq., Prudential Securities, Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed: November 23, 1992

Claimants' Submission Agreement signed: December 22, 1992

Joint Statement of Answer filed: March 18, 1993

Respondent Prudential Securities, Inc. Submission Agreement signed: March 17, 1993

Respondent William Howdon's Submission Agreement: March 26, 1993

HEARING INFORMATION

Prehearing conference dates / sessions: August 19, 1993 - 1 session

Hearing dates/ sessions: August 25, 1993 - 2 sessions
August 26, 1993 - 3 sessions

Hearing location: Seattle, Washington

CASE SUMMARY

Claimants allege violation of Section 10(b) of the Securities Exchange Act of 1934, of Securities Exchange Commission Rule 10(b-5) and of Section 20(a) of the Securities and Exchange Act of 1934, and violations of the California and Washington State Securities Acts and the Washington Consumer Protection Act; also, recommending unsuitable investments and unsuitable trades, and the failure of Respondent Prudential Securities, Inc. to supervise the conduct of Respondent Howdon; also, negligence with respect to the investment advice given to claimants in regard to the sale of securities to the plan and as to Respondent Prudential Securities, Inc. for failure to supervise its employees, servants or agents in a reasonable manner; also, breach of fiduciary duty owed to of Claimants; also, negligent misrepresentation of investments for the plan; and breach of contract.

Respondents moved to dismiss all commodity claims which were entered into under agreement with Commodity Monitors, Inc. in a managed account, also all claims on the ground that the statute of limitations had run on any alleged SEC violations, also that Claimants had in any event ratified any and all unauthorized and/or unreasonable or unsuitable trades by failing to make appropriate objection within a reasonable time, and denied all other allegations and alleged Claimant Donnee Casper as trustee to have been a knowledgeable investor and fully aware of and participating in all trades that were made.

RELIEF REQUESTED

Claimants requested damages ranging from \$98,000 to \$100,000 plus expert witness fees of \$2,700, attorneys' fees of \$9,016, and costs of \$371.70.

Respondents requested dismissal of all claims.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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, and the legal memorandums of each of the parties, the undersigned arbitrators have

decided in full and final resolution of the issues submitted for determination as follows:

1. All claims brought 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 43(c) of the Code of Arbitration Procedure, the NASD shall refund the \$1,000.00 hearing session fee previously deposited by Claimants.

Respondents are assessed forum fees as follows:

5 sessions @ \$400 / session - \$2,000.00

Fees are payable to the NASD, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Carl A. Jonson	Public Chairperson
John F. Cockburn	Public Panelist
Bonny Kathleen Riggs	Industry Panelist

Concurring Arbitrators' Signatures

DATE SERVED: 10/26/93

Bonny Kathleen Riggs