

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Byron T. Hill

93-00042

Name of Respondents

Prudential Securities, Inc.
Ronald J. Riley

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 5, 1993, Claimant Byron T. Hill, who appeared Pro Se, alleged that Respondents Prudential Securities, Inc. and Ronald J. Riley recommended he purchase Polaris Aircraft Income Fund III Limited Partnership which was not a suitable investment for him and did not meet his investment needs, or goals of safety of principal, income and liquidity. The Claimant further alleged that the Respondents failed to provide competent investment advise, and that the Respondents should be held liable for the losses he has incurred due to their wrongdoing.

Respondents Prudential Securities, Inc. and Ronald J. Riley, through their in-house counsel, George C. McGuigan, Jr., maintained that the risks and characteristics of this investment were explained to the Claimant and he was provided with a prospectus. The Respondents further maintained that the Claimant could have rejected this investment if he felt it didn't meet his investment objectives, and that since he failed to complain about this investment in a timely manner, he is estopped from recovering. The Respondents contended that they acted at all times in good faith and were unaware of any misrepresentations or omissions made to the Claimant, and that due to the foregoing, they should not be held liable in this matter.

RELIEF REQUESTED

Claimant Byron T. Hill requested the rescission of his \$10,000.00 investment, plus an unspecified amount of monetary damages.

Respondents Prudential Securities, Inc. and Ronald J. Riley requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, David A. Townsend, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on December 30, 1992, by Respondent Prudential Securities, Inc. on March 5, 1993 but not by Respondent Ronald J. Riley as required by Sections 12 & 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure.

And, 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. The claims of the Claimant Byron T. Hill against Respondents Prudential Securities, Inc. and Ronald J. Riley are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, DAVID A. TOWNSEND, 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

DATE OF DECISION: July 29, 1993