

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Carlos and Esther Otto

93-00553

Name of Respondents

Prudential Securities, Inc.  
Dennis E. Pifer

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 16, 1993, Claimants Carlos and Esther Otto, through their counsel Robert M. Roth of R.M. Roth & Associates, Agoura Hills, CA, alleged that Respondent Dennis E. Pifer, through the Respondent firm, Prudential Securities, Inc. misled them into investing in an unsuitable limited partnership, Polaris 1 Partnership, which did not meet their investment objectives. The Claimants further alleged that the Respondents also fraudulently represented the value of the fund to be \$10,000.00, when in fact it was significantly less and also that they were never provided with a prospectus regarding this security. The Claimants contended that this investment was not suitable or appropriate for them and that the Respondents should be held liable for losses they have incurred.

Respondents Prudential Securities, Inc. and Dennis E. Pifer, in a Joint Statement of Answer, through their in-house counsel Nancy Basri, Esq., maintained that there was no attempt to deceive or mislead Claimants in any way regarding the value of their investment, and also maintained that this investment was suitable for the Claimants. The Respondents further maintained that the Claimants were provided with a prospectus for this investment, and also that there was no misrepresentation of the value of the fund or any other investment in the Claimants' portfolio.

**RELIEF REQUESTED**

Claimants Carlos and Esther Otto requested \$8,550.00 in actual damages and rescission of the Polaris I transaction, plus interest, costs and attorney's fees.

Respondents Prudential Securities, Inc. and Dennis E. Pifer requested that the claims of the Claimants be dismissed.

**AWARD**

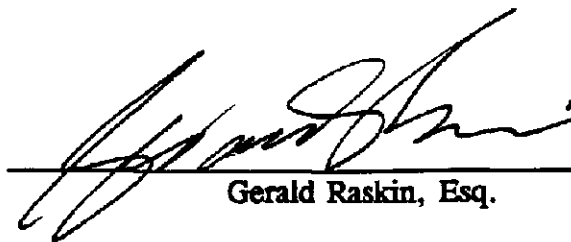
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Gerald Raskin, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on January 26, 1993, by the Respondent Prudential Securities, Inc. on April 10, 1993 and by Respondent Dennis E. Pifer on April 28, 1993.

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 Claimants Carlos and Esther Otto against Respondents Prudential Securities, Inc. and Dennis E. Pifer are dismissed in their entirety.
2. The parties shall bear their respective costs, including attorney's fees.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc. Respondent Prudential Securities, Inc. is liable and shall pay \$150.00 to the Claimants as reimbursement of the fee.

**AFFIRMATION**

I, GERALD RASKIN, ESQ., 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.



Gerald Raskin, Esq.

DATE OF DECISION: September 8, 1993