

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Prudential Securities, Inc.

vs.

Case #
93-00854

Name of Respondent

Wen Dar Chen

REPRESENTATION

For Claimant, Prudential Securities, Inc. ("Claimant"), David L. Becker, Esq., from the law firm of Kutak Rock.

Respondent, Wen Dar Chen, was not represented by counsel.

CASE INFORMATION

Statement of Claim filed was on March 4, 1993.

Claimant's Submission agreement was signed on February 13, 1993.

Respondent's Statement of Answer was filed on February 12, 1993.

Respondent did not execute a Submission Agreement.

HEARING INFORMATION

Hearing Dates/Hearing Sessions:

January 27, 1994 - 1 Session

February 8, 1994 - 1 Session

CASE SUMMARY

Claimant alleges that in February, 1990 it extended a loan to Respondent in the amount of \$20,000,000. Claimant also alleges that at the time Respondent received this loan, he was given

a promissory note ("1990 Note") to execute. Claimant further alleges that although Respondent accepted and cashed the check for \$20,000.00, he did not sign and return the 1990 Note as he had agreed.

Claimant states that as further proof of the loan, a legend on the reverse of the check which was cashed by Respondent stated "Accepted pursuant to terms of a Note dated February 28, 1990." Claimant also states that Respondent voluntarily resigned from the firm on May 11, 1990 and failed to repay the loan despite demands made upon him.

Respondent maintains that after he received an offer to join Union Bank of Switzerland in August, 1988, Mr. Pica of Prudential Bache, Inc. ("PBI") approved a \$20,000.00 salary advance if he stayed on with PBI. Respondent states that he was not promoted to Vice President, his compensation was decreased, and he resigned on April 9, 1990. Respondent further states that there was no indication that he should pay back the 1990 Note.

RELIEF REQUESTED

Claimant requests an award of \$20,000.00; interest, in accordance with the 1990 Note, at a rate of nine percent (9%) from February 28, 1990 until date of payment; costs of collection and of this proceeding in accordance with the 1990 Note; and such other relief as the panel deems just and proper.

Respondent requests that the claim be denied.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed to receive conformed copies of the award while the original remain on file with the NASD. Respondent requested and was granted a postponement of the hearing previously scheduled for December 10, 1993. A postponement fee of \$600.00 was assessed against Respondent and has been paid.

Claimant made a Motion to Bar Respondents answer. Respondent on the first hearing date stated that he was unaware that he was supposed to file an answer. This panel allowed Respondent to file an answer.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable and shall pay Claimant **TWENTY THOUSAND DOLLARS AND ZERO CENTS**.
2. Claimant's request for interest is denied.
3. Claimant's request for attorney's fees is denied.
4. Claimant's request for costs is denied.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed against Claimant.

Non-refundable Claim Filing Fee	- \$ 500.00	
Hearing Session Fees	- \$1,200.00	(2 Sessions X \$600.00 per Session = \$1,200.00)
Total Fees	- \$1,700.00	

1. Claimant previously paid \$1,100.00 and owes a balance of \$600.00.

Fees are payable to the National Association of Securities Dealers, Inc.

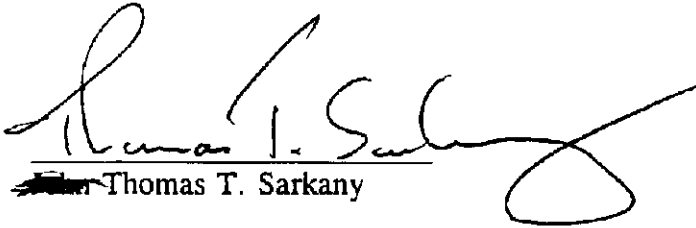
ARBITRATION PANEL

Michael Udoff, Esq.	-	Industry Chairperson
Thomas T. Sarkany	-	Industry Panelist
Herbert W. Marache, Jr.	-	Industry Panelist

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Concurring Arbitrator's Signature



~~John~~ Thomas T. Sarkany

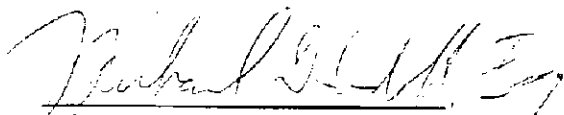
March 9, 1994

Date of Decision

Award #93-00854

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Concurring Arbitrator's Signature


Michael Udoff, Esq.

Executed on:

2/8/94


~~xxDate of Decisionxx~~

Date of Decision: March 9, 1994

Award #93-00854

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Concurring Arbitrator's Signature


Herbert W. Marache, Jr.

Executed on:

2/8-94
~~Date of Decision~~

Date of Decision: March 9, 1994

STATE OF *New Jersey*
COUNTY OF *Hudson*

S.S.:

On this *28th* day of *February*, 1994, before me personally appeared
Michael Udoff, Esq. known to me to be the individual described in and who executed the
foregoing instrument and be duly acknowledged to me that he/she executed the same

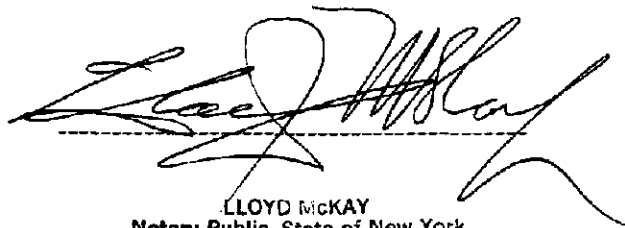
DENISE PELLICANO
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES OCT. 15, 1999

Denise Pellicano

STATE OF *New York*
COUNTY OF *New York*

S.S.:

On this *7th* day of *March*, 1994, before me personally appeared ~~Herbert W. Marache, Jr.~~
Herbert W. Marache, Jr. known to me to be the individual described in and who executed the
foregoing instrument and be duly acknowledged to me that he/she executed the same

A large, stylized handwritten signature in black ink, appearing to read 'Lloyd McKay', is written over a horizontal dashed line.

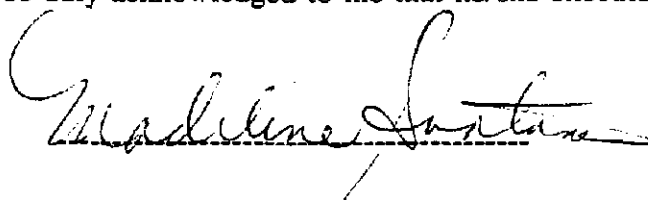
LLOYD MCKAY
Notary Public, State of New York
No. 41-4960189
Qualified in Queens County
Commission Expires *11/18/95*

STATE OF *New York*

COUNTY OF *NY*

S.S.:

On this *28* day of *February*, 1994, before me personally appeared ~~John~~
Thomas T. Sarkany known to me to be the individual described in and who executed the
foregoing instrument and he duly acknowledged to me that he/she executed the same



MADELINE SANTANA
Notary Public, State of New York
No. 41-4944789
Qualified in Queens County
Commission Expires November 28, 19*94*