

N.A.S.D. AWARD**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the Matter of the Arbitration Between

Name of Claimant

Singleton Sheet Metal Works, Inc.

and

93-01491

Name of Respondent

Prudential Securities, Inc.

REPRESENTATION OF PARTIES

Singleton Sheet Metal Works, Inc. ("Claimant") was represented by Linda McMillan, Esq. of Shaw & Quigg, Pueblo, Colorado.

Prudential Securities, Inc. ("Respondent") was represented by Paul M. Waldman, Esq. of Prudential Securities, Inc., New York, New York.

CASE INFORMATION

The Statement of Claim was filed on or about April 14, 1993. Submission Agreement of Claimant was signed on April 2, 1993.

Statement of Answer was filed by Respondent on or about June 4, 1993. Submission Agreement of Respondent was signed on June 3, 1993 by Garry Lischin.

HEARING INFORMATION

The hearing was held on Tuesday, October 26, 1993 in Denver, Colorado for a total of two (2) sessions.

CASE SUMMARY

Claimant alleged that Prudential Securities, Inc. failed to properly disclose or advise it of the long term and/or non-liquid nature of its investment in Nuveen Premium mutual fund. Claimant also stated that this investment did not meet the need for a low-risk highly liquid investment.

Respondent stated that the Claimant was properly solicited, the Claimant's decision to invest in Nuveen was clearly an informed one. Respondent further stated that the investment in Nuveen

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was suitable for the Claimant in light of the stated financial objectives. In addition, Respondent stated that the broker fully appraised the Claimant concerning the Nuveen fund through discussion and through the offering prospectus. Respondent also asserted affirmative defenses including but not limited to: ratification, waiver, and estoppel.

RELIEF REQUESTED

Claimant requested an award in the amount of \$11,725.00, plus reasonable attorney's fees, interest, and costs.

Respondent requested that the Claimant's allegations be disregarded and their demand for reimbursement of their losses be dismissed in its entirety. In addition, Respondent requested that all cost incurred by Respondent in defending this action, including any travel costs, be assessed against the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that a handwritten, signed Award may be entered. The parties have agreed to receive conformed copies of the award while the original remains on file with the N.A.S.D.

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 Prudential Securities, Inc. shall be and hereby is liable for and shall pay to the Claimant Singleton Sheet Metal Works, Inc. the sum of *Twelve thousand five hundred seventy eight dollars and twenty six cents* (\$12,578.26).
2. Interest on the above stated sum is awarded at the rate of 8% per annum from and inclusive of November 1, 1992 to and inclusive of the date this award is paid in full.
3. Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.

FORUM FEES

Pursuant to §43(c) of the N.A.S.D. Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("N.A.S.D.") shall retain the non-refundable filing fee in the amount of \$100.00 and shall retain as forum fees the hearing session deposit in the amount of \$300.00

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previously deposited with the N.A.S.D. by the Claimant. Respondent Prudential Securities, Inc shall pay to the N.A.S.D. the sum of \$300.00 as additional forum fees.

Forum fees are calculated at the rate of \$300.00 per hearing session and \$300.00 for each prehearing conference, if any. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

Thaddeus J. Tecza, Ph.D.
Thaddeus J. Tecza, Ph.D.
Public Arbitrator, Presiding Chair

October 26, 1993

END

Claimant. Claimant is assessed a non-refundable deposit of \$250.00. Claimant shall be reimbursed the remaining \$750.00 as indicated below;

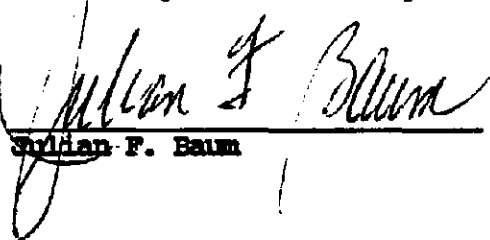
2. Respondent, Shearson Lehman Hutton, Inc., is assessed forum fees in the amount of \$11,500.00. Said Respondent shall reimburse Claimant \$750.00. Therefore, the total amount payable to the NASD by Shearson shall be \$10,750.00;

3. Respondent, Robin J. Russo, is assessed forum fees in the amount of \$7,500.00;

4. Respondent, George J. Quinn, is assessed forum fees in the amount of \$1,000.00.

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

Concurring Arbitrator Signature



Julian F. Baum

Date of Decision: _____

DATED BYNASD
FEBRUARY 26, 1991