

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

William A. Lucas and Delores M. Lucas

NASD CASE
#93-02007

Name of Respondents

Prudential Securities Inc
Greg Martino
John Beisner

REPRESENTATION

For Claimant: Milford L. McBride III, Esq. of the law firm of McBride
and McBride, P.C.

For Respondent: Foster S. Goldman, Jr., Esq. of the law firm of Klett Lieber
Rooney and Schorling.

CASE INFORMATION

Statement of Claim filed: May 17, 1993

Claimants' Submission Agreement signed on: April 23, 1993

Joint Statement of Answer filed by Respondents on August 4, 1993.

Respondent, Greg Martino's Submission Agreement signed on July 21, 1993.

Respondent, John Beisner's Submission Agreement signed on: September 27,
1993.

Respondent, Prudential Securities Incorporated's ("Prudential") Submission
Agreement signed on July 14, 1993.

HEARING INFORMATION

Pre-Hearing Conference: March 10, 1994 - one session
Hearing Dates/Sessions: March 15, 1994 - two sessions
Hearing Location: Pittsburgh, PA

CASE SUMMARY

Claimants alleged that they had a securities account with Prudential which was not a discretionary account and on or about January 30, 1992 the New York office of Prudential through brokers Martino and Beisner purchased 1500 shares of Centocor Incorporated stock for \$52.25 per share for a total of \$78,379.50 which was without the consent or approval of the Claimants. Claimants further alleged in February, March and April of 1992 Prudential sold the shares without the consent or approval of the Claimants and as a result, the Claimants sustained a loss of \$38,300.50. Claimants further alleged despite the repeated demands, the Respondents have failed to make any reimbursement.

Respondents maintained the purchase at issue in the Statement of Claim was discussed explicitly between Mr. Lucas and Greg Martino and Mr. Lucas approved and authorized the transaction in advance and Prudential sent Claimants a confirmation slip within a day of the transaction and Claimants did not object or complain about the purchase in any way. Respondents further maintained the Centocor stock dropped in value and Prudential was obliged to make margin calls to the Claimants and these calls were transmitted both by telephone and in writing, but Claimants did not respond and failed to pay the amount requested and from February 19th through April 24th, 1992 all of Claimants' Centocor stock was sold in an effort to cover their margin debt. Respondents further maintained when the transactions were completed and the losses finalized, Mr. Lucas announced that he would not pay the debit balance remaining on the account and then, for the first time, claimed that the initial purchase of the stock had been unauthorized. Respondents further maintained the Claimants' claim includes a demand for punitive damages in violation of the due process and equal protection clauses of the Fourteenth Amendment of the United States Constitution and corresponding provisions of the Pennsylvania Constitution.

RELIEF REQUESTED

Claimants requested damages of \$38,300.50 plus treble damages, plus punitive damages in the sum of \$10,000 for a total of \$124,901.50 plus attorney's fees and interest from March 1, 1992 and costs.

Respondents requested a dismissal of the Claimants' Statement of Claim with prejudice plus costs and expenses.

AWARD

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

1. All claims by the Claimants be and hereby are denied in all respects.
2. The Claimants' claim for punitive damages is denied.
3. The Claimants' claim for RICO or treble damages is denied.
4. Each party shall bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

2 sessions X \$750 plus one pre-hearing conference \$300 = \$1,800 minus hearing session deposit of \$750 = \$1,050 due.

The Claimants be and hereby are liable jointly and severally and shall pay to the NASD the sum of \$150 representing the outstanding forum fees.

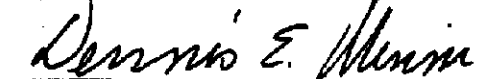
The Respondents be and hereby are liable jointly and severally and shall pay to the NASD the sum of \$900 representing the outstanding forum fees.

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

Concurring Arbitrators' Signatures

Name

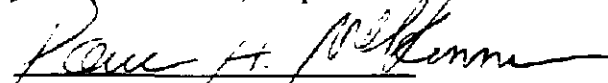
Public/Industry



Dennis E. Minni, Esq.



Public



Paul H. McKenna



Industry



Robert R. Thomas



Public

Date of Decision: April 20, 1994