

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Patrick T. Donlon

Patti L. Donlon

vs.

NASD Arbitration  
#93-03190

Name of Respondent

Prudential Securities, Inc.

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REPRESENTATION

For Claimants: Dennis G. Merenbach, Esq., Santa Barbara, California and  
Jules Federman, Investors Rights Association, San Barbara, California

For Respondent: Ralph S. Blascovich, Esq.  
Prudential Securities, Inc., San Francisco, California

CASE INFORMATION

Statement of Claim filed: August 13, 1993

Claimants' Submission Agreement signed: November 16, 1992

Statement of Answer filed: December 3, 1993

Respondent's Submission Agreement signed: November 19, 1993

## HEARING INFORMATION

Hearing dates/sessions: July 13, 1994 - 2 sessions  
July 14, 1994 - 2 sessions

Hearing location: San Francisco, California

## CASE SUMMARY

Claimants alleged Respondent recommended and sold them an unsuitable limited partnership, Aqueduct I Ltd.

Respondent denied the Aqueduct limited partnership was an unsuitable investment for Claimants, and asserted that Claimants met the subscription requirements of the investment and that Claimants have no damages. Respondent also asserted that the claims were barred by the general release previously executed by Patti Donlon in another matter and, further, that the claims were barred by the applicable statutes of limitations.

## RELIEF REQUESTED

Claimants requested rescission of the Aqueduct investment, less distributions received, plus interest from date of purchase.

Respondent requested dismissal of all claims.

## AWARD

At the conclusion of Claimants' case, Respondent made motions to dismiss based on the expiration of the applicable statutes of limitations and for non-suit based on Claimants' failure to show any loss or damage. After considering the arguments of counsel, the testimony and evidence presented during Claimants' case, the undersigned arbitrators granted Respondent's motion for non-suit. The motion based on the expiration of applicable statutes of limitation was considered moot.

### FORUM FEE

Pursuant to Section 43 (c) of the Code of Arbitration Procedure, the NASD shall retain the \$250 non-refundable filing fee.

Forum fees are assessed as follows:

Claimants: 2 session @ \$600/session	\$1,200
Credit for deposit	<u>600</u>
Balance due	\$600
	<u>=====</u>
Respondent: 1 session @ \$600/session	\$ 600
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Fees are payable to the NASD, Inc.

### ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Nancy Roberts Lonsdale	Public
Kathryn Toronto	Public
Alex Mazour	Industry

### Concurring Arbitrators Signatures

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Nancy Roberts Lonsdale

\_\_\_\_\_  
Kathryn Toronto

  
\_\_\_\_\_  
Alex Mazour

Date of Decision: \_\_\_\_\_

Date Served: 07/29/94