

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Pete Pappas

93-03931

Name of Respondent(s)

Prudential Securities Inc
Robert Rankin

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 28, 1993, Claimant Pete Pappas, through his representative, Steven G. Grossman, Esq. of Investors Arbitration Services, Inc., alleged that Respondents Prudential Securities, Inc. and Robert Rankin purchased for his account a security known as First Capital Holding which was unsuitable and not in accordance with his investment objectives. Claimant also alleged that the Respondents failed to exercise due care in the maintenance of his account by executing upwards of 63 trades during 1989, and further that the Respondents breached their fiduciary duty to the Claimant causing losses for which the Respondents should be held liable.

Respondents, Prudential Securities, Inc. and Robert Rankin, through their in-house counsel Charles LaChaussee, Esq., maintained that the investments made by the Claimant were suitable for him and each of the recommended investment vehicles were purchased by the claimant and were consistent with his investment objectives. The Respondents also maintained that they acted properly at all times during their dealings with the Claimant and did not breach their fiduciary duty to him, nor did they defraud the Claimant in any way. Respondents Prudential Securities, Inc. and Robert Rankin contended that no wrong doing was committed, and therefore the claims of the Claimant should be dismissed.

RELIEF REQUESTED

Claimant Pete Pappas, requested \$15,000.00 in actual damages, plus interest, costs and consulting fees.

Respondents, Prudential Securities, Inc. and Robert Rankin, requested that the claims of the Claimant be dismissed.

AWARD

In accordance with Section 14 of the NASD Code of Arbitration Procedure the parties agreed to waive their right to a hearing under the Stipulation signed and dated by the Claimant on March 21, 1995 and signed and dated by the Respondents on March 22, 1995.

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Robert S. Clarke, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 23, 1993 and by the Respondent Prudential Securities, Inc. on April 5, 1994 and by the Respondent Robert Rankin on April 4, 1994.

And, the Arbitrator, having considered the proof of the parties, without a formal hearing, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant Pete Pappas against Respondents Prudential Securities, Inc. and Robert Rankin are dismissed in their entirety.
2. The parties shall bear their respective costs.

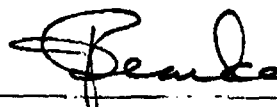
The \$400.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Pete Pappas, shall be retained by the NASD.

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AFFIRMATION

I, **Robert S. Clarke**, 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 awa

A handwritten signature in cursive script, appearing to read "R. Clarke", is written over a horizontal line.

Robert S. Clarke

DATE OF DECISION: May 5, 1995