

NASD AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

Robert W. Mohs

and

93-04630
consolidated with 93-05125

Name of Respondent

Prudential Securities, Inc.

REPRESENTATION OF PARTIES

Robert W. Mohs ("Claimant") was represented by Andrew J. Munro, Esq., Munro & Munro, Troy, Michigan.

Prudential Securities, Inc. ("Respondent") was represented by Ronald P. Kane, Esq. Siegan Barbakoff Gornberg & Kane Ltd., Chicago, Illinois.

CASE INFORMATION

The Statement of Claim in case number 93-04630 was filed on or about November 8, 1993. Submission Agreement of Claimant Robert W. Mohs was signed on January 14, 1994. Answer to Claimant's Statement of Claim in case number 93-05125 was filed on or about March 11, 1994. Submission Agreement of Respondent Robert W. Mohs was signed on January 14, 1994.

Statement of Answer in case number 93-04630 was filed by Respondent Prudential Securities, Inc. on or about March 1, 1994. Submission Agreement of Respondent Prudential Securities, Inc. was signed on March 1, 1994 by Ronald P. Kane and on July 21, 1994 by William F. Tueting. Statement of Claim in case number 93-05125 was filed on or about December 10, 1993. Submission Agreement of Claimant Prudential Securities, Inc. was signed on December 3, 1993 by William F. Tueting.

HEARING INFORMATION

The hearing was held on March 30, 1995 for two (2) sessions, March 31, 1995 for two (2) sessions, May 31, 1995 for two (2) sessions, and June 1, 1995 for two (2) sessions in Chicago, Illinois for a total of eight (8) sessions.

CASE SUMMARY

In the Statement of Claim filed in matter number 93-04630, Claimant Robert W. Mohs alleged that employees of Prudential Securities, Inc. made misrepresentations as an inducement to entering into an employment agreement. Claimant alleged that the misrepresentations were related to: life insurance and health benefits; access to fixed income traders; and credit and operational problems. In response to the claim filed, Prudential Securities, Inc. stated that the claim was filed as an attempt to avoid payment on a Promissory Note which is the subject of case matter 93-05125. Prudential also denied the allegations set forth in matter number 93-04630.

In its Statement of Claim, Prudential alleged that Robert W. Mohs had executed a Promissory Note which provided for immediate payment of any balance due upon the termination for any reason. Prudential stated that Robert W. Mohs terminated his voluntarily employment on or about September 9, 1993 leaving a balance due on the Promissory Note. In response to the claim filed in matter number 93-05125, Robert W. Mohs stated that the claims asserted should have been filed as affirmative defenses or as a counterclaim in matter number 93-04630.

RELIEF REQUESTED

Robert W. Mohs requested an award in the amount of \$100,000 plus attorneys' fees and costs and the voiding of the Promissory Note which is the subject matter of matter number 93-05125.

Prudential Securities, Inc. requested that the claims asserted against it be dismissed in their entirety and that it be awarded the following:

- the sum of \$107,324.54 based upon Robert W. Mohs' default in the repayment of the Promissory Note;
- interest on the above referenced sum at the contract rate of 8% per annum from November 16, 1993 to the date of payment;
- the cost of collection and of this proceeding including attorneys' fees as agreed to under the terms of the Note; and
- any other relief as the Arbitrators deem just.

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 NASD.

AWARD

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

1. All claims asserted by Robert W. Mohs against Prudential Securities, Inc. shall be and hereby are dismissed and denied in their entirety.
2. Robert W. Mohs shall be and hereby is liable for and shall pay to Prudential Securities, Inc. the sum of **One hundred thirty five thousand three hundred thirteen dollars and twenty-five cents (\$135,313.25)**. The above stated sum includes an award of attorneys' fees in the amount of Eighteen thousand one hundred thirty nine dollars and twenty-five cents (\$18,139.25) which is awarded pursuant to the terms of the note.
3. Each party shall bear its own costs, expenses and fees incurred in this matter not specifically enumerated herein.

FORUM FEES

Forum fees are calculated at the rate of \$750 per hearing session and \$300 for each prehearing conference, if any. There were eight (8) sessions x \$750 = \$6,000 in forum fees. Pursuant to §43(b) a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less.

Pursuant to §44(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$500 and shall retain as forum fees the hearing session deposit in the amount of \$600 previously deposited with the NASD by Robert W. Mohs. Pursuant to §44(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$500 and shall retain as forum fees the hearing session deposit in the amount of \$750 previously deposited with the NASD by Prudential Securities, Inc.

Robert W. Mohs shall be and hereby is liable for and shall pay to the NASD the sum of \$3,300 and Prudential Securities, Inc. shall be and hereby is liable for and shall pay to the NASD the sum

of \$1,350 as the balance due for forum fees. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

July 21, 1995

July 6, 1995

July 19, 1995