

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the matter of the Arbitration Between

**Name of Claimant**

Clover G. Moffat, Trustee for the Benefit  
of the Moffat Family Trust, Dated 1/10/86

NASD Arbitration  
No. 95-01495

**Name of Respondents**

Prudential Securities, Inc., M.L. Stern & Co., Inc., and Bradley Glasman

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**REPRESENTATION**

For Claimant:

Timothy Canning, Esq.  
The Sapiro Law Firm  
San Francisco, California

For Respondent Prudential Securities, Inc.:

William Cassarini, Esq.  
Prudential Securities, Inc.  
New York, New York

For Respondent M.L. Stern & Co., Inc.  
and Bradley Glasman:

James Portman, Esq.  
M.L. Stern & Co., Inc.  
Beverly Hills, California

### **CASE INFORMATION**

Statement of Claim filed: March 24, 1995

Claimant's Submission Agreement signed: March 9, 1995

Joint Statement of Answer filed by Respondents M.L. Stern & Co., Inc. and Bradley Glasman: June 26, 1995

Joint Statement of Answer filed for Respondents Prudential Securities, Inc. and Bradley Glasman: July 21, 1995

Respondent M.L. Stern & Co., Inc.'s Submission Agreement signed: June 26, 1995

Respondent Prudential Securities, Inc.'s Submission Agreement signed: July 21, 1995

### **HEARING INFORMATION**

Pre-Hearing Conference Date / Session: January 10, 1996 (1 session)

Hearing Dates / Sessions: April 2, 1996 (2 sessions)  
April 3, 1996 (2 sessions)

Hearing Location: Los Angeles, California

### **CASE SUMMARY**

Claimant alleged that Respondents were negligent and committed breach of contract and breach of fiduciary duty. Specifically, Claimant alleged that Respondent Glasman, while working at both M.L. Stern & Co., Inc. and Prudential Securities, Inc., began to solicit and persuade Claimant to purchase and sell low quality corporate bonds, high-risk mutual funds, high-risk real estate funds and speculative stocks even though he knew Claimant was an unsophisticated investor.

Respondents denied each of Claimant's allegations.

### **RELIEF REQUESTED**

Claimant sought recovery of actual damages in the amount of \$75,000.00 together with interest thereon at the prescribed legal rate as well as damages under California Civil Code §3345 which provides for sanctions where fraudulent conduct adversely affects disabled persons.

Respondents requested dismissal of all claims against them.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The parties have agreed that the Award in this matter may be executed in either counterpart copies or that a handwritten, signed Award may be entered. In either case, 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, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All of Claimant's claims are denied in their entirety.
2. Each party shall bear their own costs, including attorneys' fees.
3. Forum fees shall be split equally between Claimant and Respondents M.L. Stern & Co., Inc. and Prudential Securities, Inc.

### **FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:


One Pre-Hearing Conference @ \$300.00 / Session	=	\$300.00
Four Hearing Sessions @ \$500.00 / Session	=	\$2,000.00
Total Forum Fees Assessed	=	\$2,300.00
Claimant's One-half Share	=	\$1,150.00
Credit for Hearing Session Deposit	=	\$500.00
Claimant's Balance Due	=	\$650.00
Respondents' One-half Share to be split equally between M.L. Stern & Co., Inc. and Prudential Securities, Inc.	=	\$1,150.00
Respondent M.L. Stern & Co., Inc.'s Balance Due	=	\$575.00
Respondent Prudential Securities, Inc. Balance Due	=	\$575.00

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

### **ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Wendy L. Kohn, Esq.	Public Arbitrator
John B. Wells	Industry Arbitrator
John P. Shelton	Public Arbitrator

### **Concurring Arbitrators' Signatures**

  
Wendy L. Kohn, Esq.

\_\_\_\_\_  
John B. Wells

\_\_\_\_\_  
John P. Shelton

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

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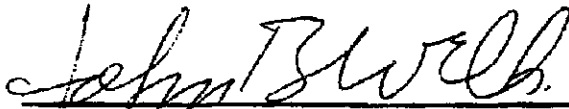
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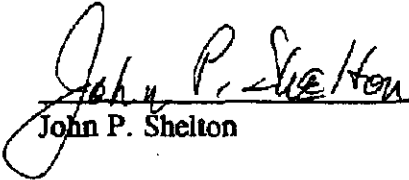
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John B. Wells	Industry Arbitrator
John P. Shelton	Public Arbitrator

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John B. Wells

  
\_\_\_\_\_  
John P. Shelton

\* Date of Decision: 5/13/96

\* The panel actually met on ~~5/13/96~~ 7/3/96 (the first afternoon of the hearings) and agreed verbally on the above decision. JPS