

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Errol Reiter

NASD Arbitration

No. 95-01708

Name of Respondent(s)

Prudential Securities, Inc.

Meyer H. Berk

REPRESENTATION

For Claimant: Jack Dozier, Esq., Atherton & Dozier, Stockton, California

For Respondents: William Freilich, Esq., Prudential Securities, Inc., New York, New York

CASE INFORMATION

Statement of Claim filed: April 5, 1995

Claimant's Submission Agreement signed: March 30, 1995

Joint Statement of Answer filed by Respondents: May 26, 1995

Amendment to Statement of Answer filed by Respondents: November 1, 1995

Respondents' Submission Agreements signed as follows:

Prudential Securities, Inc.: May 13, 1995

Meyer H. Berk: June 5, 1995

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

December 8, 1995 (one session)

Hearing Date(s)/Session(s): December 12, 1995 (two sessions)

Hearing Location:

San Francisco, California

CASE SUMMARY

Claimant alleged that he suffered damages because of fraudulent misrepresentations made by Respondents with respect to Claimant's investment in F&M Distributors, Inc. Senior Subordinated Notes (Notes). Claimant further alleged that he advised Respondent Berk that he would purchase the Notes providing that the Notes were not sold from Prudential's account and alleged that the Notes were sold from Prudential's own account.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant. Respondents alleged that the subject Notes were purchased for Claimant from the Automated Bond System of the New York Stock Exchange and alleged that the Notes were not sold from Prudential's own account. Respondents also asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested damages in the amount of \$37,936.71 plus interest, costs and fees.

Respondents requested dismissal of Claimant's claims, costs and such other and further relief as the panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the panel of arbitrators reviewed and considered the positions of the parties relative to Claimant's motion to bar Respondents from presenting any matter, arguments or defenses at hearing; Respondents' motion to change venue; and

Respondents' proposed amendment to their Response to the Statement of Claim. The panel denied the motion to bar and denied the motion to change venue. The panel admitted Respondents' amendment to the Response to the Statement of Claim.

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 originals remain on file with the National Association of Securities Dealers, Inc. (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 claims by Claimant against Prudential Securities, Inc. are dismissed.

2. Respondent Meyer H. Berk is solely liable for and shall pay to Claimant the sum of \$1,200.00, in satisfaction of Claimant's claims.

3. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall refund the \$400.00 hearing session deposit previously deposited by the Claimant. Forum fees are assessed against Respondent Prudential Securities, Inc., solely, in the amount of \$1,100.00, calculated as follows: One pre-hearing session times \$300.00/session plus two hearing sessions times \$400.00/session.

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

95-01708

ARBITRATORS

Name Public / Industry

Lester Friedman, Esq.

Public Arbitrator

Leonard Greenwold

Public Arbitrator

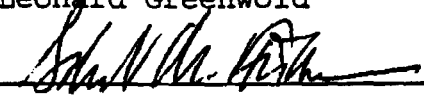
Robert Fisher

Industry Arbitrator

Concurring Arbitrators' Signatures

Lester Friedman, Esq.

Leonard Greenwold



Robert Fisher

Date of Decision: _____

Date Served: 12/28/95