

4/16 96071741
NASD AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Anthony J. Parisi,

Claimant,

v.

No. 95-04522

*Prudential Securities, Inc.,

Respondent.

© National Association of
Securities Dealers, Inc.

All Rights Reserved

REPRESENTATION OF PARTIES

Anthony J. Parisi ("Claimant") was represented by Michael Salcido, Esq., Scottsdale, Arizona, and Adam P. Palmer, Esq., Phoenix, Arizona.

Prudential Securities, Inc. ("Respondent") was represented by Stephen Young, Esq. and Jodi S. Cohen, Esq., of Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Claimant's Statement of Claim was filed on or about September 21, 1995. Claimant's Submission Agreement was signed on September 14, 1995.

Respondent's Statement of Answer was filed on or about November 29, 1995. Respondent's Submission Agreement was signed on October 17, 1995.

HEARING INFORMATION

Pre-hearing conferences were held on April 12, 1996 for one (1) session, and April 17, 1996 for one (1) session.

The hearing was held on June 10, 11, 12, and 13, 1996 for two (2) sessions each day in Scottsdale, Arizona for a total of eight (8) sessions.

CASE SUMMARY

Claimant alleged that Respondent: Committed fraud and securities fraud; committed negligence and/or negligent misrepresentations; breached its fiduciary duties to Claimant; breached its contract with Claimant; and intentionally inflicted emotional distress on Claimant. The allegations arose out

9607174

of: Claimant's employment by Respondent; the sale of Respondent's limited partnerships to his clients; the losses suffered by Claimant's clients in the limited partnerships; the subsequent complaints or formal actions filed by Claimant's formal clients from losses sustained in their limited partnership investments; and the disciplinary action brought by the NASD against the Claimant.

Respondent denied the allegations set forth in the Statement of Claim. Respondent also asserted the following affirmative defenses: Claimant's Statement of Claim, in its entirety, fails to state a claim against Respondent; Claimant is barred from maintaining this action pursuant to the equitable doctrine of unclean hands; Claimant is barred from bringing this action on the ground of laches; Claimant has failed to mitigate his damages; Claimant's alleged damages were proximately caused by Claimant's own conduct or the conduct of a third party; Claimant's alleged damages were proximately caused by his own contributory negligence or the negligence of a third party, pursuant to which any award against Respondent should be reduced accordingly; Claimant has failed to state a claim upon which an award of punitive damages may be based; Claimant is not entitled to attorney's fees as a matter of law; and Claimant's claims are barred by the applicable statute of limitation.

RELIEF REQUESTED

Claimant requested an award for the following relief:

1. Compensatory damages of at least \$1,000,000.00;
2. Pre and post judgement interest from the time Claimant went on disability until the Award is paid in full;
3. His costs and attorneys' fees incurred herein, including all NASD filing and expert witness fees, pursuant to ARS §§ 12-34-1.01 and 44-2001;
4. Punitive damages in an amount to be determined at the hearing in this matter; and
5. Such other and further relief as is deemed just and proper.

Respondent requested that the claims asserted against it be dismissed as a matter of law.

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, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims are, and each of them, denied with prejudice.

9607174

Each party shall bear its own costs and expenses, including attorneys' fees, incurred in this arbitration.

FORUM FEES

Forum fees are calculated at the rate of \$1,000 per hearing session and \$300 for each pre-hearing conference, if any. There were eight (8) regular sessions x \$1,000 and two (2) pre-hearing conference sessions x \$300 = \$8,300 in forum fees. Pursuant to §44(b) of the NASD Code of Arbitration Procedure (the "Code"), 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 Code, the NASD shall **retain** the non-refundable filing fee in the amount of \$500 and shall **refund** the hearing session deposit in the amount of \$1,000 previously deposited with the NASD by the Claimant.

Pursuant to §45 of the Code, the NASD shall retain the member surcharge fee in the amount of \$500 previously paid by the Respondent.

Additional forum fees in the amount of \$8,300 are assessed against the Respondent.

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

Dated:

Matthew R. Gould
Matthew R. Gould
Public Arbitrator, Presiding Chair

/s/

July 16, 1996

Howard S. Baldwin
Howard S. Baldwin
Public Arbitrator

/s/

July 12, 1996

James M. Rapisarda
James M. Rapisarda
Industry Arbitrator

/s/

July 10, 1996