

**Award**  
**NASD Regulation, Inc.**

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In the Matter of the Arbitration Between:

Claire Tatum, (Claimant) vs. Prudential Securities, Inc. and Helen M. Lauderdale, (Respondents).

Case Number: 99-02123

Hearing Site: Houston, Texas

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**REPRESENTATION OF PARTIES**

Claimants, Claire Tatum, hereinafter referred to as "Claimant": Larry Meyer, Esq., Nelson, McCormick, Hancock & Newton, Houston, Texas.

Respondents, Prudential Securities, Inc. ("Prudential") and Helen M. Lauderdale ("Lauderdale"), hereinafter collectively referred to as "Respondents": Paul L. Meli, Esq. and J. Anklowitz, Esq., Law Office of Joseph D'Elia, Huntington, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: May 7, 1999

Claimant signed the Uniform Submission Agreement: May 3, 1999

Statement of Answer filed by Respondents on or about: August 2, 1999

Amended Statement of Answer filed by Respondents on or about: September 29, 1999

Respondent, Prudential, signed the Uniform Submission Agreement: July 28, 1999

Respondent, Lauderdale, signed the Uniform Submission Agreement: July 21, 1999

**CASE SUMMARY**

Claimant asserted the following causes of action: unsuitability; failure to disclose risks; failure to disclose conflicts of interest; material misstatements of fact and/or omissions to state material facts; fraud; violations of the Texas Securities Act;

and failure to supervise. The causes of action relate to purchases of Criimi Mae, Inc. and Drefus Laurel Premier Limited-Term High Income Fund-Class C.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim failed to state a claim upon which relief can be granted; Claimant directed and authorized the execution of all transactions in her account, *unsolicited by Prudential* and is estopped from bringing this action; neither Respondent made misrepresentations of fact and/or omitted to state material facts; neither Respondent is responsible because they were within the risks discussed with Claimant and within which Claimant chose to assume; Respondents acted at all times consistent with Claimant's stated objective of obtaining income and increased yield; there was no conflict of interest which existed or was required to be disclosed to Claimant; Claimant did not incur any damages arising out of the actions of Respondents; and there were no violations of the Texas Securities Act.

#### **RELIEF REQUESTED**

Claimant requested:

Compensatory Damages	\$16,311.02
Interest	unspecified
Attorneys' Fees	\$3,500
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

Respondents requested:

Dismissal	
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

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

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

#### **AWARD**

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

1. The Statement of Claim filed by Claire Tatum is hereby denied in its entirety and dismissed with prejudice;

2. Respondents, Prudential Securities, Inc. and Helen Lauderdale are liable for and shall pay to Claimant, Claire Tatum, \$125 as reimbursement of the claim filing fee; and
3. Any and all relief not specifically addressed herein is denied.

### FEES

Pursuant to the Code, the following fees are assessed:

#### Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$125

#### Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is Prudential Securities, Inc.

Member surcharge = \$400

#### Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450 = \$450  
Pre-hearing conference: November 15, 1999 1 session

Two (2) Hearing session x \$450 = \$900  
Hearing Date: January 18, 2000 2 sessions

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Total Forum Fees = \$1,350

1. The Panel has assessed \$1,350 of the forum fees jointly and severally to Prudential Securities, Inc. and Helen M. Lauderdale.

### Fee Summary

1. Claimant, Claire Tatum, be and hereby is solely liable for:  
Initial Filing Fee = \$125
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- Total Fees = \$125

**Refund** = \$450

- Member Fees** = \$400

**Balance Due NASD Regulation, Inc. = \$0**

- hereby are jointly and severally liable for:

**Balance Due NASD Regulation, Inc. = \$1,350**

**All balances are due to NASD Regulation, Inc.**

**Concurring Arbitrator's Signature**

## Public Arbitrator

**Signature Date**

**Date of Service (For NASD office use only)**