

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Richard Spaulding, Claimant v. Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc. and Gene Soss, Respondents

Case Number: 01-00912

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Robert A. Graham, Jr., Esq.
Law Offices of Robert A. Graham, Jr.
Grants Pass, Oregon

For Respondents:

Charles B. LaChaussee, Esq.
Prudential Securities Inc.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: February 13, 2001

Claimant's Uniform Submission Agreement signed: December 28, 2000

Joint Statement of Answer filed by Respondents: January 25, 2002

Respondent Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc.'s Uniform Submission Agreement signed: January 25, 2002

Respondent Gene Soss's Uniform Submission Agreement signed: None filed

CASE SUMMARY

Claimant alleged breach of fiduciary duty, unauthorized trading and unsuitability, involving unspecified securities.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and requested a more definite Statement of Claim.

RELIEF REQUESTED

Claimant requested \$200,000.00 in compensatory damages, unspecified punitive damages, and costs.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, and costs. Respondent Gene Soss requested expungement of all reference to this matter from his individual registration records maintained by the NASD Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

On February 24, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On March 10, 2003, Respondents Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc. and Gene Soss' counsel signed a Waiver Agreement on their behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Respondent Gene Soss did not file with the NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, is bound by the determination of the Panel on all issues submitted.

The parties 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, testimony, and the Parties' request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Gene Soss' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Gene Soss must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ 300.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc. is a party and the following fees are assessed:

Member Surcharge = \$ 1,500.00

Pre-Hearing Process Fee = \$ 600.00

Hearing Process Fee = \$ 2,500.00

Total Member Fees = \$ 4,600.00

Adjournment Fees

The following adjournment fees are assessed:

November 20-21, 2002 adjournment requested by Claimant = \$ 1,125.00

The Panel assessed \$562.50 to Claimant and \$562.50 jointly and severally to Respondents.

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

3 Pre-hearing conference sessions with the Panel @ \$1,125.00/session = \$ 3,375.00

Pre-hearing conferences: July 19, 2002 1 session

November 20, 2002 1 session

October 21, 2003 1 session

Total Forum Fees = \$ 3,375.00

1. The Panel assessed \$ 1,687.50 of the forum fees to Claimant.

2. The Panel assessed \$ 1,687.50 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$ 562.50
<u>Forum Fees</u>	<u>= \$ 1,687.50</u>
Total Fees	= \$ 2,550.00
<u>Less payments</u>	<u>= \$(1,425.00)</u>
Balance Due NASD Dispute Resolution	= \$ 1,125.00

2. Respondent Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,600.00
<u>Less payments</u>	<u>= \$(4,600.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 562.50
<u>Forum Fees</u>	<u>= \$ 1,687.50</u>
Total Fees	= \$ 2,250.00
Less payments made by Prudential Equity Group, Inc. f.k.a. <u>Prudential Securities Inc.</u>	<u>= \$(562.50)</u>
Balance Due NASD Dispute Resolution	= \$ 1,687.50

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

Parties' Signatures

Richard Spaulding
Claimant

Signature Date

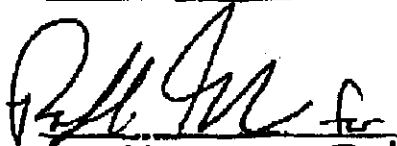
Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc.
Respondent

Signature Date


Gene Soss
Respondent

Signature Date

Parties' Signatures


Richard Spaulding
Claimant

3-4-04
Signature Date


Charles LaBrosse Attorney for:
Prudential Equity Group, Inc. f.k.a. Prudential Securities Inc.
Respondent

3-4-04
Signature Date

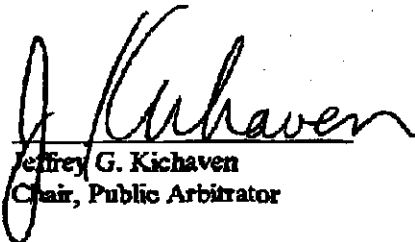

Gene Sosk
Respondent

3-4-04
Signature Date

ARBITRATION PANEL

Jeffrey G. Kichaven	-	Public Arbitrator, Presiding Chair
David W. Dresnick	-	Public Arbitrator
Robert D. Sussin	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jeffrey G. Kichaven
Chair, Public Arbitrator

6/21/05
Signature Date

David W. Dresnick
Public Arbitrator

Signature Date

Robert D. Sussin
Non-Public Arbitrator

Signature Date

6/21/05
Date of Service

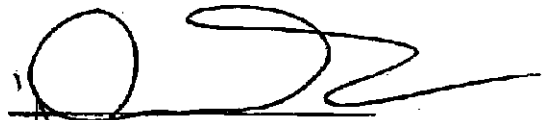
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Chair, Public Arbitrator

Signature Date



David W. Dresnick
Public Arbitrator

6/7/05
Signature Date

Robert D. Sussin
Non-Public Arbitrator

Signature Date

6/21/05
Date of Service

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Chair, Public Arbitrator

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David W. Dresnick
Public Arbitrator

Signature Date



Robert D. Sussin
Non-Public Arbitrator

Signature Date

6/21/05
Date of Service