

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:
Martin A. Klein, III, Claimant v. Prudential Securities, Inc., Respondent

Case Number: 01-01313

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant Martin A. Klein, III:

J. Dorian Sonnenschein, Esq.
Law Offices of J. Dorian
Sonnenschein
Irvine, California

For Respondent Prudential Securities, Inc.:

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

CASE INFORMATION

Statement of Claim filed: March 6, 2001

Claimant's Uniform Submission Agreement signed: February 21, 2001

Statement of Answer and Counterclaim filed by Respondent: May 21, 2001

Respondent's Uniform Submission Agreement signed: May 21, 2001

Statement of Answer to Counterclaim filed by Claimant: June 20, 2001

Claimant's Amended Statement of Claim filed: June 29, 2001

CASE SUMMARY

Claimant alleged Breach of Contract and Failure to Pay Commissions.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and filed a Counterclaim alleging Claimant's default on a Promissory Note.

RELIEF REQUESTED

Claimant's initial Statement of Claim requested compensatory damages of \$51,161.14 for commissions owed, \$12,790.00 pursuant to New York State Consolidated Laws, Labor Sec. 198.1-a, interest thereon at the rate of 10% per annum from April 30, 2000 until paid, and reimbursement of costs and attorney's fees.

Claimant's Amended Statement of Claim requested compensatory damages of \$51,161.14 for commissions owed, penalties pursuant to California Labor Code Section 203 of \$51,161.14, interest at the rate of 10% per annum from April 30, 2000, and reimbursement of costs and attorney's fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety, the balance due on the Promissory Note of \$16,884.53, interest in the amount of 6% per annum from April 20, 2000, and reimbursement of costs and attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On June 29, 2002, Claimant filed an Amended Statement of Claim pursuant to the NASD Code of Arbitration Procedure Rule 10328(a).

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 evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's Claims are denied in their entirety.
- 2) Claimant Martin A. Klein, III is liable to and shall pay Respondent Prudential Securities, Inc. \$16,884.53 as the balance in full due and payable on the Promissory Note.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 225.00
Respondent's Counterclaim	= \$ 750.00

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 that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Prudential Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,100.00

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 or the Panel. The following fees are assessed:

Two (2) Pre-hearing conference sessions with a single arbitrator @ \$450.00/session	= \$ 900.00
Pre-hearing conferences: January 10, 2002	1 session
April 12, 2002	1 session

One (1) Pre-hearing conference session(s) with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: November 19, 2001	1 session

One (1) Hearing session @ \$1,125.00/session	= \$ 1,125.00
Hearing: May 7, 2002	1 session

Total Forum Fees	= \$ 3,150.00
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1. The Panel assessed \$1,575.00 of the forum fees to Claimant Martin A. Klein, III.
2. The Panel assessed \$1,575.00 of the forum fees to Respondent Prudential Securities, Inc.

Fee Summary

1. Claimant Martin A. Klein, III. is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 1,575.00
Total Fees	= \$ 1,800.00
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 375.00

2. Respondent Prudential Securities, Inc. is charged with the following fees and costs:


Filing Fee for Counterclaim	= \$ 750.00
Member Fees	= \$ 4,100.00
Forum Fees	= \$ 1,575.00
Total Fees	= \$ 6,425.00
Less payments	= \$(4,300.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,125.00

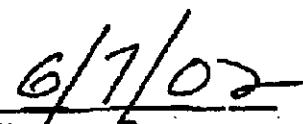
All balances are payable to NASD Dispute Resolution, Inc. and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

<i>G. Timothy Haight, DBA</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Thomas M. Adams, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Michael G. Clark</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


G. Timothy Haight, DBA
Chair, Public Arbitrator

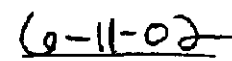

Signature Date

Thomas M. Adams, Esq.
Public Arbitrator

Signature Date

Michael G. Clark
Non-Public Arbitrator

Signature Date


Date of Service

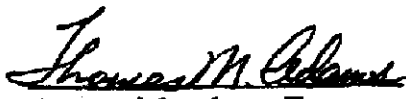
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Concurring Arbitrators' Signatures

G. Timothy Haight, DBA
Chair, Public Arbitrator

Signature Date


Thomas M. Adams, Esq.
Public Arbitrator


Signature Date

Michael G. Clark
Non-Public Arbitrator

Signature Date

6-11-02
Date of Service

ARBITRATION PANEL

<i>G. Timothy Haight, DBA</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Thomas M. Adams, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Michael G. Clark</i>	-	<i>Non-Public Arbitrator</i>


Concurring Arbitrators' Signatures

G. Timothy Haight, DBA
Chair, Public Arbitrator

Signature Date

Thomas M. Adams, Esq.
Public Arbitrator

Signature Date



Michael G. Clark
Non-Public Arbitrator

June 11, 2002

Signature Date

6-11-02

Date of Service