

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 01-02160

Hye K. Park

Name of the Respondents

Hearing Site: Washington, D.C.

Prudential Securities, Inc. and
James W. Purce, Jr.

REPRESENTATION OF PARTIES

Claimant Hye K. Park, hereinafter referred to as "Claimant", was represented by Ford C. Ladd, Esq., Law Offices of Ford C. Ladd, Alexandria, Virginia.

Respondents Prudential Securities, Inc. ("Prudential") and James W. Purce, Jr. ("Purce"), hereinafter collectively referred to as "Respondents", were represented by Patrick Gaffney, Esq., Prudential Securities, Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on April 30, 2001.

Claimant signed the Uniform Submission Agreement on April 29, 2001.

Statement of Answer filed by Respondents on July 10, 2001.

Respondents did not file Uniform Submission Agreements with NASD Dispute Resolution.

Claimant's Objection to General Denials in Respondents' Answer and Motion to Bar the Presentation of Defenses and Facts was filed on October 17, 2001.

Respondents filed their Response to Claimant's Objection to General Denials in Respondents' Answer and Motion to Bar the Presentation of Defenses and Facts on November 9, 2001.

Claimant filed their Reply to Respondents' Response to Claimant's Objection to General Denials in Respondents' Answer and Motion to Bar the Presentation of Defenses and Facts on November 19, 2001.

Claimant's Motion to Continue Hearing or, Alternatively, Strike Defenses was filed on May 17, 2002.

Respondents filed their Response to Claimant's Motion to Continue Hearing or, Alternatively, Strike Defenses on May 29, 2002.

Claimant filed their Reply to Respondents' Response to Claimant's Motion to Continue Hearing or, Alternatively, Strike Defenses on May 31, 2002.

CASE SUMMARY

Claimant asserted the following causes of action, among others: violation of section 10(b) and section 20(a) of the Securities and Exchange Act of 1934, and SEC rule 10b-5, 17 CFR section 240.10b-5, promulgated thereunder; violation of section 20(a) of the Securities and Exchange Act of 1934, and failure to supervise; violation of the Virginia Securities Act (Va. Stat. Anno. Sections 13.1-502 and 503); violation of the NASD rules of fair practice; breach of contract; constructive fraud; fraud and deceit; and, breach of fiduciary duty. The causes of action relate to purchase and sale of the following securities: Microstrategy, meVC Draper, Prudential Jennison Growth Fund, At Home Corporation, Munder Fund Class A Fund, Prudential Tax Managed Equity Fund, Prudential Tech Fund, Target Large Capitalization Growth Fund, Prudential Jennison International Growth Fund, and Strategic Partners new Era Growth Fund.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Statement of Claim fails to state a claim upon which relief may be granted; all claims are barred by the doctrine of unclean hands; Claimant ratified all trades which she now belatedly complains about; all trades are barred by the doctrines of waiver and estoppel; and, all claims are barred by applicable statute of limitations.

RELIEF REQUESTED

Claimant in her Statement of Claim requested:

Compensatory Damages	\$ 2,100,000.00
Punitive Damages	\$ 350,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the claim be dismissed and denied with prejudice; that all costs should be imposed against the Claimant; and, that the Panel recommend the expungement of the Statement of Claim from Respondent Purce's record with the Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution, properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

On November 29, 2001, the Panel denied Claimant's Objection to General Denials in Respondents' Answer and Motion to Bar the Presentation of Defenses and Facts.

On May 31, 2002, the Panel denied Claimant's Motion to Continue Hearing or, Alternatively, Strike Defenses.

The Panel denied Claimant's post hearing Motion to Admit CNBC Tapes and Transcripts.

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. Respondent Prudential and Purce are jointly and severally liable to and shall pay to Claimant compensatory damages of \$100,000.00;
2. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 500.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent Prudential is a party.

Member surcharge	= \$ 2,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 4,500.00
Total Member Fees	= \$ 7,600.00 ✓

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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 Panel @ \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: November 20, 2001 1 session	

Ten (10) Hearing sessions @ \$ 12,000.00	= \$12,000.00
Hearing Dates: July 10, 2002 2 sessions	

July 11, 2002	2 sessions
July 12, 2002	2 sessions
November 25, 2002	2 sessions
November 26, 2002	2 sessions

Total Forum Fees = \$13,200.00

1. The Panel has assessed \$6,600.00 of the forum fees to Claimant.
3. The Panel has assessed \$6,600.00 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant requested copies of tapes = \$ 300.00

FEE SUMMARY

1. Claimant is assessed the following fees:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 6,600.00
Administrative Costs	= \$ 300.00
Total Fees	= \$ 7,400.00
Less payments	= \$ 1,895.00
Balance Due NASD Dispute Resolution	= \$ 5,505.00
2. Respondent Prudential is assessed the following fees:

Member Fees	= \$ 7,600.00
Total Fees	= \$ 7,600.00
Less payments	= \$ 7,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents are jointly and severally assessed the following fees:


Forum Fee	= \$ 6,600.00
Balance Due NASD Dispute Resolution	= \$ 6,600.00

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

ARBITRATION PANEL

Samuel A. Alward	-	Public Arbitrator, Presiding Chairperson
Mary E. Beach, Esq.	-	Public Arbitrator, Panelist
William J. Kerns, Jr.	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Samuel A. Alward
Public Arbitrator, Presiding Chairperson

Feb. 7, 2003

Signature Date

Mary E. Beach, Esq.
Public Arbitrator, Panelist

Signature Date

William J. Kerns, Jr.
Non-Public Arbitrator, Panelist

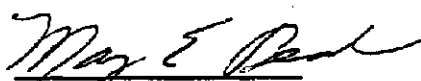
Signature Date

February 28 2003
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Samuel A. Alward
Public Arbitrator, Presiding Chairperson

Signature Date



Mary E. Beach, Esq.
Public Arbitrator, Panelist

2/2/03

Signature Date

William J. Kerns, Jr.
Non-Public Arbitrator, Panelist

Signature Date

February 28, 2003

Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Samuel A. Alward

Public Arbitrator, Presiding Chairperson

Signature Date

Mary E. Beach, Esq.

Public Arbitrator, Panelist

Signature Date

William J. Kerns, Jr.

William J. Kerns, Jr.

Non-Public Arbitrator, Panelist

February 6, 2003

Signature Date

February 28, 2003

Date of Service (For NASD Dispute Resolution office use only)