

**Award
NASD****RECEIVED**

OCT 23 2002

In the Matter of the Arbitration Between:

FL ARBITRATIONName of the ClaimantCase Number: 01-02470

Prudential Securities, Incorporated

Name of the RespondentHearing Site: Boca Raton, FL

Walter Alan Tye

REPRESENTATION OF PARTIES

For Prudential Securities, Incorporated, hereinafter referred to as "Claimant": Steven P. Gombert, Esq., Rooks, Pitts & Poust, Chicago, Illinois.

For Walter Alan Tye, hereinafter referred to as "Respondent": Arthur C. Koski, Law Offices of Arthur C. Koski, PA, Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: May 9, 2001.

Claimant signed the Uniform Submission Agreement: May 3, 2001.

Statement of Answer filed by Respondent on or about: July 9, 2001.

Respondent signed the Uniform Submission Agreement: June 25, 2001.

Motion to Amend the Statement of Claim filed by Claimant on or about: January 24, 2002.

Affidavit in Support of Claimant's Request for Attorney's Fees filed on or about: October 8, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: Count I, Respondent's failure to honor his obligations under an employment agreement and promissory note; Count II, claim for reimbursement of the amount paid by Claimant to a customer pursuant to an arbitration award; and, Count III, fraud and fraudulent concealment.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested a finding that Respondent committed fraud and knowingly and intentionally concealed material facts; the sum of \$100,610.55 based upon Respondent's default in the repayment of the loan; pre-judgment interest on \$100,610.55 at the rate of 7%

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per annum from the date of the last payment pursuant to the terms of the agreement and note; post-judgment interest at the legal rate from the date of entry of the Award until satisfaction thereof; the sum of \$48,513.00 as reimbursement for the award paid on Respondent's behalf by Claimant; the costs of collection and of this proceeding, including attorneys' fees; and, any other relief as the Arbitrators deemed just and proper.

Respondent requested the entry of an order denying Claimant's claims in their entirety together with the costs of this action and such other and further relief as is deemed just and proper.

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.

Claimant's unopposed motion to amend the Statement of Claim was granted by the Panel on or about February 19, 2002.

AWARD

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

Respondent is found liable on Count I of the Amended Statement of Claim and shall pay to Claimant \$119,765.22 in compensatory damages, which includes interest until October 8, 2002, plus Respondent shall pay to Claimant additional interest at the rate of seven (7)% per annum from October 9, 2002 until the date of payment of the Award.

Respondent is found not liable on Counts II and III of the Amended Statement of Claim as the Panel does not find fraud.

Respondent is liable and shall pay attorney's fees to Claimant, pursuant to the terms of the employment agreement executed by the Respondent on February 20, 1998, in an amount to be determined by a court of competent jurisdiction.

Respondent is liable and shall pay to Claimant the sum of \$1000.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD.

Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

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Filing Fees

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

Initial claim filing fee = \$1,000.00

Member Fees

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

Member surcharge = \$1,500.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$2,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 29, 2002 - May 1, 2002, adjournment by Respondent = \$ 1,125.00

The Panel has assessed \$562.50 of the adjournment fee to Claimant and \$562.50 to Respondent.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

Forum Fees and Assessments

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

Two (2) Pre-hearing sessions with Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: December 4, 2001 1 session

March 26, 2002 1 session

Two (2) Hearing sessions @ \$1,125.00 = \$2,250.00

Hearing Dates: October 8, 2002 2 sessions

Total Forum Fees = \$4,500.00

The Panel has assessed the total forum fees of \$4,500.00 to Respondent.

Administrative Costs

No administrative fees were incurred during this proceeding.

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Fee Summary

Claimant is solely liable for:

Initial filing fee	= \$1,000.00
Member Fees	= \$4,600.00
<u>Adjournment Fee</u>	= \$ 562.50
Total Fees	= \$6,162.50
<u>Less payments</u>	= \$6,162.50
Balance Due NASD	= \$ 0.00

Respondent is solely liable for:

Adjournment Fee	= \$ 562.50
<u>Forum fees</u>	= \$4,500.00
Total Fees	= \$5,062.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD	= \$5,062.50

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

ARBITRATION PANEL

<i>Lewis W. Slaughter</i>	-	<i>Non-Public Arbitrator, Presiding Chairperson</i>
<i>Adam B. Cohen, Esq.</i>	-	<i>Non-Public Arbitrator</i>
<i>Joseph J. Slotnick</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/S/
Lewis W. Slaughter
Non-Public Arbitrator, Presiding Chairperson

Signature Date

/S/
Adam B. Cohen, Esq.
Non-Public Arbitrator

Signature Date

/S/
Joseph J. Slotnick
Non-Public Arbitrator

Signature Date

October 30, 2002
Date of Service (For NASD office use only)

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-NASD Dispute Resolution

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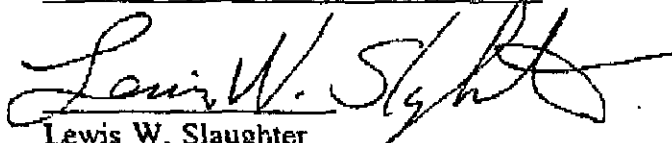
- Non-Public Arbitrator, Presiding Chairperson

Adam B. Cohen, Esq.

- Non-Public Arbitrator

Joseph J. Slotnick

- Non-Public Arbitrator

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Lewis W. Slaughter
Non-Public Arbitrator, Presiding Chairperson

10/15/02
Signature Date

Adam B. Cohen, Esq.
Non-Public Arbitrator

Signature Date

Joseph J. Slotnick
Non-Public Arbitrator

Signature Date

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Adam B. Cohen, Esq.	-	Non-Public Arbitrator
Joseph J. Slotnick	-	Non-Public Arbitrator

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Lewis W. Slaughter
Non-Public Arbitrator, Presiding Chairperson

Signature Date



Adam B. Cohen, Esq.
Non-Public Arbitrator

Signature Date

Joseph J. Slotnick
Non-Public Arbitrator

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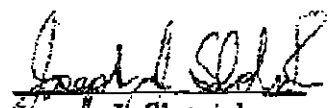
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 Lewis W. Slaughter
 Non-Public Arbitrator, Presiding Chairperson

 Signature Date

 Adam B. Cohen, Esq.
 Non-Public Arbitrator

 Signature Date


 Joseph J. Slotnick
 Non-Public Arbitrator

10/19/02
 Signature Date

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