
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

John Darrell Manuel
Vicky Manuel

Case Number: 02-05239

Names of the Respondents

Prudential Securities, Inc.
Michael Boagni
Andy Schmitz
William E. Blakeman

Hearing Site: New Orleans, LA

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

REPRESENTATION OF PARTIES

For John Darrell Manuel and Vicky Manuel, hereinafter collectively referred to as "Claimants":
Tom St. Germain, Esq., Lafayette, LA and Donald R. Mouton, Esq., Lafayette, LA.

For Respondents Prudential Securities, Inc. ("Prudential"), Michael Boagni ("Boagni"), Andy Schmitz ("Schmitz"), and William E. Blakeman ("Blakeman"), hereinafter collectively referred to as "Respondents": Benjamin J. Lambiotte, Esq., Garvey Schubert Barer, Washington, D.C.

CASE INFORMATION

Statement of Claim filed on or about: September 5, 2002.

Claimants signed the Uniform Submission Agreement: August 30, 2002.

Statement of Answer filed by Respondents on or about: November 6, 2002.

Respondents Prudential, Boagni, Schmitz, and Blakeman did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: lack of diversification; over-concentration in high risk stocks; unsuitable investments in options; failure to state all material facts; negligence; breach of contract; breach of fiduciary duty; and, negligent supervision. The causes of action relate to the purchase of unspecified securities products in Claimants' account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of \$206,746.56, loss of opportunity to earn interest, capital appreciation, and dividends, attorneys' fees, costs, and punitive damages of \$250,000.00.

Respondents requested dismissal of the Statement of Claim, attorneys' fees, costs, and such other and further relief as is just and proper in the circumstances.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 1, 2003, Claimants dismissed, with prejudice, all of the claims they asserted against Respondents Boagni, Schmitz, and Blakeman.

On or about September 2, 2003, Claimants dismissed, with prejudice, all of the claims they asserted against Respondent Prudential.

On or about September 3, 2003, the parties filed a Joint Consent Request for Award Expunging Record of Claimants' Claims on CRD Report of Registered Representative Paul Andrew Schmitz ("Joint Request"). In the Joint Request, the parties requested an award which: 1) incorporates by reference the terms of the settlement agreement reached by the parties on June 27, 2003, as summarized in Paragraph 3) below; 2) finds that the claims asserted against Respondent Schmitz are without factual basis, because he had no involvement or participation in any of the alleged dealings or transactions with the Claimants, and should not have been joined as a Respondent in this proceeding; and, 3) directs NASD to expunge from the NASD Central Registration Depository ("CRD") system all information relating to Claimants' claims and allegations against Respondent Schmitz.

Respondents Prudential, Boagni, Schmitz, and Blakeman did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the undersigned arbitrators (the "Panel") on all issues submitted.

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

AWARD

After considering the pleadings and the Joint Request, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The claims asserted against Respondent Schmitz are without factual basis because he had no involvement or participation in any of the alleged dealings or transactions with the Claimants and should not have been joined as a Respondent in this proceeding.

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Schmitz' registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Schmitz 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 will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$ 300.00

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. Accordingly, Respondent Prudential is a member firm and a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were granted during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were assessed during these proceedings.

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 the Panel @ \$1,125.00	= \$ 1,125.00
Pre-hearing conference: May 5, 2003	1 session
Total Forum Fees	= \$ 1,125.00

The Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$562.50 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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less payments</u>	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Prudential is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

John Whitney, Esq.	-	Public Arbitrator, Presiding Chairperson
William Paul Bryan, III, J.D.	-	Public Arbitrator
David Hamilton Ramsey	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
John Whitney, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
William Paul Bryan, III, J.D.
Public Arbitrator

Signature Date

/s/
David Hamilton Ramsey
Non-Public Arbitrator

Signature Date

April 8, 2004
Date of Service (For NASD Dispute Resolution office use only)

APR. 2, 2004 11:23AM NASD BOCA RATON

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NASD Dispute Resolution

Arbitration No. 02-05239

Stipulated Award Page 4 of 4**Fee Summary**

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Prudential is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

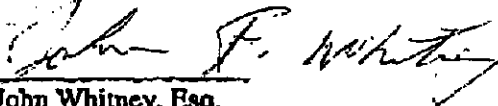
Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

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Concurring Arbitrators' Signatures


John Whitney, Esq.
Public Arbitrator, Presiding Chairperson


Signature Date

William Paul Bryan, III, J.D.
Public Arbitrator

Signature Date

David Hamilton Ramsey
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution
Arbitration No. 02-05239
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Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$	300.00
Forum Fees	= \$	562.50
Total Fees	= \$	862.50
Less payments	= \$	862.50
Balance Due NASD Dispute Resolution	= \$	0.00

Respondent Prudential is solely liable for:

Member Fees	= \$	5,200.00
Total Fees	= \$	5,200.00
Less payments	= \$	5,200.00
Balance Due NASD Dispute Resolution	= \$	0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$	562.50
Total Fees	= \$	562.50
Less payments	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	562.50

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ARBITRATION PANEL

John Whitney, Esq.
William Paul Bryan, III, J.D.
David Hamilton Ramsey

Public Arbitrator, Presiding Chairperson
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

John Whitney, Esq.
Public Arbitrator, Presiding Chairperson

William Paul Bryan, III, J.D.
Public Arbitrator

David Hamilton Ramsey
Non-Public Arbitrator

Signature Date

3/12/04
Signature Date

Signature Date

Resolution office use only)

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NASD Dispute Resolution
Arbitration No. 02-05239
Stipulated Award Page 4 of 4

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Prudential is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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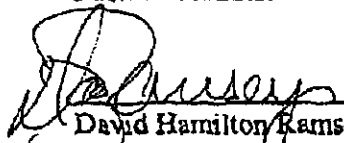
Concurring Arbitrators' Signatures

John Whitney, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

William Paul Bryan, III, J.D.
Public Arbitrator

Signature Date


David Hamilton Ramsey
Non-Public Arbitrator

3-12-04

Signature Date

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