

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Laura J. Roantree (Claimant) v. Prudential Equity Group, LLC f/k/a Prudential Securities, Inc.
and Allen White (Respondents)

Case Number: 02-05981

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Laura J. Roantree ("Roantree") hereinafter referred to as "Claimant": Christopher J. Conrad, Esq., previously David L. Jubanowsky, Esq., Morris, Downing & Sherred, Newton, NJ.

Respondents Prudential Equity Group, LLC f/k/a Prudential Securities, Inc. ("Prudential") and Allen White ("White") hereinafter collectively referred to as "Respondents": Patrick Gaffney, Esq., Prudential Equity Group, LLC, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: October 2, 2002.

Amended Statement of Claim filed on or about: June 22, 2004.

Claimant signed the Uniform Submission Agreement: October 2, 2002.

Joint Statement of Answer filed by Respondents on or about: December 9, 2002.

Joint Answer to the Amended Statement of Claim filed by Respondents on or about: August 17, 2004.

Respondent Prudential did not sign the Uniform Submission Agreement.

Respondent White did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; negligence; failure to supervise; failure to transfer; breach of fiduciary duty; and misrepresentation. The causes of action relate to shares of Lucent Technologies.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$775,000.00; punitive damages in the amount of \$250,000.00; interest at 9%, or \$105,000.00; forum fees in the amount of \$1,800.00; attorneys' fees in the amount of \$50,000.00; and witness and production fees in the amount of \$7,500.00.

In the Amended Statement of Claim, Claimant requested compensatory damages in the amount of \$731,726.00; punitive damages in the amount of \$2,909,121.00; and interest at 9% in the amount of \$237,981.00.

Respondents requested that the Statement of Claim be dismissed and denied with prejudice and all costs be assessed against the Claimant.

In their Answer to the Amended Statement of Claim, Respondents requested that the Amended Statement of Claim be dismissed and denied with prejudice; that the Panel recommend that this matter be expunged from the registration record of Respondent White; and all costs and attorneys' fees be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

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.

AWARD

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

1. Respondents are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$327,689.00.
2. Respondents are jointly and severally liable for and shall pay to Claimant interest in the amount of \$117,807.00, calculated at 9% per annum from November 6, 2000 through November 4, 2004.
3. Respondents are jointly and severally liable for and shall pay to Claimant costs in the amount of \$42,343.00.

4. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 = \$600.00

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, Prudential Equity Group, LLC, is a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences:	
June 10, 2003	1 session
April 13, 2004	1 session

One (1) Pre-hearing session with Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference:	
May 14, 2003	1 session

Eight (8) Hearing sessions @ \$1,200.00	= \$ 9,600.00
Hearing Dates:	
June 18, 2004	2 sessions
October 6, 2004	2 sessions
November 3, 2004	2 sessions
November 4, 2004	2 sessions

Total Forum Fees	= \$11,700.00
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1. The Panel has assessed \$5,850.00 of the forum fees against Claimant.
2. The Panel has assessed \$5,850.00 of the forum fees jointly and severally against Respondents.

Administrative Costs

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

Claimant requested duplication of hearing tapes = \$45.00

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$5,850.00
<u>Administrative Costs</u>	<u>= \$ 45.00</u>
Total Fees	= \$6,495.00
<u>Less payments</u>	<u>= \$1,845.00</u>
Balance Due NASD Dispute Resolution	= \$4,650.00

2. Respondent Prudential is solely liable for:

Member Fees	= \$8,550.00
Total Fees	= \$8,550.00
<u>Less payments</u>	<u>= \$8,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

Forum Fees	= \$5,850.00
Total Fees	= \$5,850.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$5,850.00

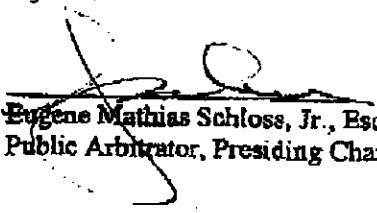
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Eugene Mathias Schloss, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard Herman	-	Public Arbitrator
Joseph A. Gottlieb, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.


Eugene Mathias Schloss, Jr., Esq.
Public Arbitrator, Presiding Chairperson

11/11/04
Signature Date

Bernard Herman
Public Arbitrator

Signature Date

Joseph A. Gottlieb, Esq.
Non-Public Arbitrator

Signature Date

November 15, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Eugene Mathias Schloss, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard Herman	-	Public Arbitrator
Joseph A. Gottlieb, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

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Eugene Mathias Schloss, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Bernard Herman
Public Arbitrator

Signature Date

Dissenting Arbitrators' Signatures



Joseph A. Gottlieb, Esq.
Non-Public Arbitrator

Nov. 12, 2004

Signature Date

November 15, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

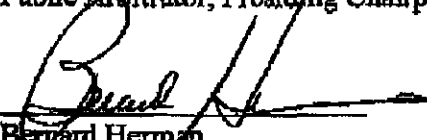
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Bernard Herman	-	Public Arbitrator
Joseph A. Gottlieb, Esq.	-	Non-Public Arbitrator

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Eugene Mathias Schloss, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Bernard Herman
Public Arbitrator

11 Nov 2004

Signature Date

Joseph A. Gottlieb, Esq.
Non-Public Arbitrator

Signature Date

November 15, 2004

Date of Service (For NASD Dispute Resolution use only)