

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Todd Jeffrey Elkins, Claimant v. Prudential Securities, Inc. (n/k/a Prudential Equity Group, LLC), Jordan R. Matthews III, Kevin T. Kitchin, Michael A. Pedone and Timothy R. Redpath, Respondents

Case Number: 02-07184

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimant:

James Jay Seltzer, Esq.
The Law Offices of James Jay
Seltzer
Emeryville, California

For Respondents:

Lisa M. Bertain, Esq.
Julie A. Kole, Esq.
Keesal, Young & Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: November 25, 2002

Claimant's Uniform Submission Agreement signed: October 30, 2002

Joint Statement of Answer filed by Respondents Prudential Securities, Inc., Jordan R. Matthews III, Kevin T. Kitchin, Michael A. Pedone and Timothy R. Redpath: April 1, 2003

Respondent Prudential Securities, Inc.'s Uniform Submission Agreement signed: May 12, 2003

Respondent Jordan R. Matthews III's Uniform Submission Agreement signed: May 3, 2003

Respondent Michael A. Pedone's Uniform Submission Agreement signed: May 5, 2003

Respondent Kevin T. Kitchin's Uniform Submission Agreement signed: May 5, 2003

Respondent Timothy R. Redpath's Uniform Submission Agreement signed: not dated

CASE SUMMARY

Claimant alleged negligence, breach of contract, violation of the implied Covenant of Good Faith and Fair Dealing, breach of fiduciary duty, and common law fraud. Claimant's allegations involved transactions in various technology stocks.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages according to proof, pre-judgment interest, unspecified punitive damages, treble damages, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and an award of costs. Respondents also requested an expungement of all references to the above captioned arbitration from Jordan R. Matthews III's, Kevin T. Kitchin's, Michael A. Pedone's and Timothy R. Redpath's registration records maintained by the NASD Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

On February 4, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On February 18, 2003, Respondents Jordan R. Matthews III, Michael A. Pedone and Timothy R. Redpath's counsel signed a Waiver Agreement on said Respondents' behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On March 26, 2003, Respondent Kevin T. Kitchin's counsel signed a Waiver Agreement on Respondent Kevin T. Kitchin's behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies.

STIPULATED DEMAND AND RECOMMENDATION OF EXPUNGEMENT

The parties hereby stipulate that all claims asserted by the Claimant against Prudential have been resolved.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Jordan R. Matthews III's, Michael A. Pedone's, Kevin T. Kitchin's and Timothy R. Redpath's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Jordan R. Matthews III, Michael A. Pedone, Kevin T. Kitchin and Timothy R. Redpath must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

AWARD

After considering the preceding Stipulation of the parties, the Panel has decided in full and final resolution of the issues submitted for determination, as follows:

1. The Panel notes the parties' stipulation that all claims asserted by the Claimant against Prudential have been resolved.
2. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondents Jordan R. Matthews III's, Michael A. Pedone's, Kevin T. Kitchin's and Timothy R. Redpath's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Jordan R. Matthews III, Michael A. Pedone, Kevin T. Kitchin and Timothy R. Redpath must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. Each party shall bear its own costs, including attorney's fees.
4. All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD-DR received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$250.00

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	= \$1,500.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$2,200.00</u>
Total Member Fees	= \$4,450.00

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

Cancellation of the October 18, 2004 to October 22, 2004 = \$300.00
Hearings

1. Claimant has agreed to pay for \$150.00 of the Three-Day Cancellation Fee.
2. Respondent Prudential Securities, Inc. has agreed to pay for \$150.00 of the Three-Day Cancellation Fee.

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 Chairperson or the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Chair @ \$450.00/session = \$ 450.00
Pre-Hearing Conference: April 8, 2004 1 session

(1) Pre-hearing conference session with the Panel @ \$1,000.00/session = \$1,000.00
Pre-Hearing Conference: July 11, 2003 1 session

Total Forum Fees = \$1,450.00

1. Claimant has agreed to pay for \$725.00 of the forum fees.
2. Respondent Prudential Securities, Inc. has agreed to pay for \$725.00 of the forum fees.

Fee Summary

1. Claimant is charged with the following fees and costs:

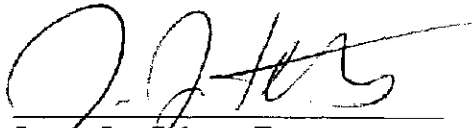
Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 725.00
<u>Three-Day Cancellation Fee</u>	= \$ 150.00
Total Fees	= \$ 1,125.00
Retained deposit in accordance with Rule 10332(f) of the Code	= \$ 275.00
<u>Less Payments</u>	= \$(1,250.00)
Balance Due NASD-DR	= \$ 150.00

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

Member Fees	= \$ 4,450.00
Forum Fees	= \$ 725.00
<u>Three-Day Cancellation Fee</u>	= \$ 150.00
Total Fees	= \$ 5,325.00
<u>Less Payments</u>	= \$ (4,450.00)
Balance Due NASD-DR	= \$ 875.00

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

Parties' Signatures



James Jay Seltzer, Esq.
Counsel for Claimant

Nov 22, 04

Signature Date



Lisa M. Bertain, Esq.
Julie A. Kole, Esq.
Counsel for Respondents

11/29/04

Signature Date

ARBITRATION PANEL

Helen B. Culiner, Esq.		Public Arbitrator, Presiding Chair
Robert L. Liu, Esq.	-	Public Arbitrator
Thomas W. Borden	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Helen B. Culiner, Esq.
Chair, Public Arbitrator

Signature Date

Robert L. Liu, Esq.
Public Arbitrator

Signature Date

Thomas W. Borden
Non-Public Arbitrator

Signature Date

Date of Service

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Robert L. Liu, Esq.	-	Public Arbitrator
Thomas W. Borden	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Helen B. Culiner
Helen B. Culiner, Esq.
Chair, Public Arbitrator

12/07/04
Signature Date

Robert L. Liu, Esq.
Robert L. Liu, Esq.
Public Arbitrator

Signature Date

Thomas W. Borden
Thomas W. Borden
Non-Public Arbitrator

Signature Date

12/9/04
Date of Service

ARBITRATION PANEL

Helen B. Culiner, Esq.
Robert L. Liu, Esq.
Thomas W. Borden

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Helen B. Culiner, Esq.
Chair, Public Arbitrator

Robert L. Liu, Esq.
Public Arbitrator

Thomas W. Borden
Non-Public Arbitrator

Signature Date

M. Oslay

Signature Date

Signature Date

12/9/04
Date of Service

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Thomas W. Borden	-	Non-Public Arbitrator

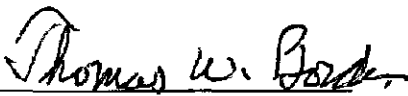
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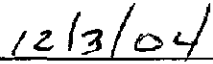
Signature Date

Robert L. Liu, Esq.
Public Arbitrator

Signature Date



Thomas W. Borden
Non-Public Arbitrator



Signature Date



Date of Service