

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Bruce Barron

v.

02-07723
Denver, Colorado

Respondent

Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc.

Nature of Dispute: Associated Person v. Member

REPRESENTATION OF PARTIES

Bruce Barron ("Claimant") was represented by Stephen C. Peters, Esq., and Terrence J. Flemming, Esq., of Lindquist & Vennum, P.L.L.P., Denver, Colorado.

Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc. ("Respondent") was represented by Robert Boraks, Esq., and Amy B. Levenson, Esq., of Garvey Schubert Barer, Washington, DC.

CASE INFORMATION

The Statement of Claim was filed on or about December 20, 2002. Submission Agreement of Claimant was signed on or about January 9, 2003.

A Statement of Answer was filed by Respondent Prudential Equity Group, Inc. on or about April 2, 2003. Submission Agreement of Respondent Prudential Equity Group, Inc. was signed on or about April 3, 2003.

CASE SUMMARY

Claimant asserted causes of action including the following: failure to execute, breach of contract, negligence and breach of fiduciary duty. The causes of action related to Claimant's allegation that Respondent blocked him from selling his holdings in EMEX common stock and threatened to terminate Claimant from his position as a Prudential financial advisor if he sold his EMEX shares. Claimant further alleged that Respondent refused to allow him to contact or solicit sell trades to any of his customers who held EMEX positions.

Respondent denied the allegations set forth in the Statement of Claim and asserted defenses including the following: Claimant failed to state a claim upon which relief can be granted; Claimant never asked Respondent for permission to sell his holdings in EMEX or those of the customers

whose accounts he services. Claimant was never denied such permission and any losses occurred were the direct result of his own failure to act; any losses suffered by Claimant were occasioned by the movement of the market prices of the securities in his accounts, not by any misconduct of Respondent; and Respondent acted in good faith and with due care respecting Claimant, his involvement with EMEX, his investments and his accounts.

RELIEF REQUESTED

Claimant requested an award in the amount of \$1,638,000 in compensatory damages. In addition, Claimant requested consequential damages of \$300,000, punitive damages of \$1,976,000, interest, costs, attorney's fees and any other relief that the Panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & 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. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

1. Claimant's claim for compensatory damages is hereby denied and dismissed with prejudice in its entirety;
2. Respondent, Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc., is liable and shall pay to Claimant, Bruce Barron, Six Hundred Dollars (\$600) for filing fee costs;
3. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, including punitive damages, are denied with prejudice; and
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 600

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc.

Member surcharge = \$ 2,800
Pre-hearing process fee = \$ 750
Hearing process fee = \$ 5,000

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 x \$ 1,200 = \$ 1,200

Pre-hearing conference: 07/14/2003 1 session

Ten (10) Hearing sessions with Panel x \$ 1,200 = \$ 12,000

Hearing Dates: 01/12/2004 2 sessions
01/13/2004 2 sessions
01/14/2004 2 sessions
01/15/2004 2 sessions
01/16/2004 2 sessions

Total Forum Fees = \$ 13,200

The Arbitration Panel has assessed \$13,200 of the forum fees to Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc.

Fee Summary

Claimant, Bruce Barron is liable for:

Initial Filing Fee	= \$ 600
Total Fees	= \$ 600
Less payments	= \$ 1,800
Balance Refunded By NASD Dispute Resolution	= \$ 1,200

Respondent, Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc., is liable for:

Member Fees	= \$ 8,550
Forum Fees	= \$ 13,200
Total Fees	= \$ 21,750
Less payments	= \$ 11,500
Balance Due NASD Dispute Resolution	= \$ 10,250

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Alois S. McAvoy, CPA - Public Arbitrator, Presiding Chair
Thomas J. Gmeinder, Esq. - Public Arbitrator
Roger George Lindquist- Non-Public Arbitrator

Concurring Arbitrators:

Alois S. McAvoy, CPA
Public Arbitrator, Presiding Chair

Signature Date

Thomas J. Gmeinder, Esq.
Public Arbitrator

Signature Date

Roger George Lindquist
Non-Public Arbitrator

Signature Date

1/26/04

Date of Service (NASD use only)

Fee Summary

Claimant, Bruce Barron is liable for:

<u>Initial Filing Fee</u>	= \$	600
<u>Total Fees</u>	= \$	600
<u>Less payments</u>	= \$	1,800
<u>Balance Refunded By NASD Dispute Resolution</u>	= \$	1,200

Respondent, Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc., is liable for:


Member Fees	= \$ 8,550
Forum Fees	= \$ 13,200
Total Fees	= \$ 21,750
Less payments	= \$ 11,500
Balance Due NASD Dispute Resolution	= \$ 10,250

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Alois S. McAvoy, CPA - Public Arbitrator, Presiding Chair
Thomas J. Gmeinder, Esq. - Public Arbitrator
Roger George Lindquist- Non-Public Arbitrator

Concurring Arbitrators:


Alois S. McAvoy, CPA
Public Arbitrator, Presiding Chair

1/26/04
Signature Date

Thomas J. Gmeinder, Esq.
Public Arbitrator

Signature Date

Roger George Lindquist
Non-Public Arbitrator

Signature Date

1/26/04
Date of Service (NASD use only)

Fee Summary

Claimant, Bruce Barron is liable for:

<u>Initial Filing Fee</u>	= \$ 600
<u>Total Fees</u>	= \$ 600
<u>Less payments</u>	= \$ 1,800
<u>Balance Refunded By NASD Dispute Resolution</u>	= \$ 1,200

Respondent, Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc., is liable for:

<u>Member Fees</u>	= \$ 8,550
<u>Forum Fees</u>	= \$ 13,200
<u>Total Fees</u>	= \$ 21,750
<u>Less payments</u>	= \$ 11,500
<u>Balance Due NASD Dispute Resolution</u>	= \$ 10,250

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Alois S. McAvoy, CPA - Public Arbitrator, Presiding Chair
Thomas J. Gmeinder, Esq. - Public Arbitrator
Roger George Lindquist- Non-Public Arbitrator

Concurring Arbitrators:

Alois S. McAvoy, CPA
Public Arbitrator, Presiding Chair


Thomas J. Gmeinder, Esq.
Public Arbitrator

Signature Date

1-26-04
Signature Date

Roger George Lindquist
Non-Public Arbitrator

Signature Date

1/26/04
Date of Service (NASD use only)

Fee Summary

Claimant, Bruce Barron is liable for:

<u>Initial Filing Fee</u>	= \$ 600
<u>Total Fees</u>	= \$ 600
<u>Less payments</u>	= \$ 1,800
<u>Balance Refunded By NASD Dispute Resolution</u>	= \$ 1,200

Respondent, Prudential Securities, Inc., n/k/a Prudential Equity Group, Inc., is liable for:

<u>Member Fees</u>	= \$ 8,550
<u>Forum Fees</u>	= \$ 13,200
<u>Total Fees</u>	= \$ 21,750
<u>Less payments</u>	= \$ 11,500
<u>Balance Due NASD Dispute Resolution</u>	= \$ 10,250

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Alois S. McAvoy, CPA - Public Arbitrator, Presiding Chair
Thomas J. Gmeinder, Esq. - Public Arbitrator
Roger George Lindquist- Non-Public Arbitrator

Concurring Arbitrators:

Alois S. McAvoy, CPA
Public Arbitrator, Presiding Chair

Signature Date

Thomas J. Gmeinder, Esq.
Public Arbitrator

Signature Date

Roger George Lindquist
Roger George Lindquist
Non-Public Arbitrator

1/26/04
Signature Date

1/26/04
Date of Service (NASD use only)