

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Barbara Wennberg (Claimant) v. MetLife Securities, Inc., Edward Dennis Pakel, and Randolph S. Nathanson (Respondents)

Case Number: 03-01909

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Barbara Wennberg ("Wennberg") hereinafter referred to as "Claimant": John E. Lawlor, Esq., Mineola, NY.

Respondent MetLife Securities, Inc. ("MetLife"): Jennifer R. Schuster, Esq., McCarter & English, LLP, Newark, NJ.

Respondents Edward Dennis Pakel ("Pakel") and Randolph S. Nathanson ("Nathanson": Kevin J. Windels, Esq., D'Amato & Lynch, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: March 17, 2003.

Claimant signed the Uniform Submission Agreement: September 25, 2002.

Statement of Answer of Respondent MetLife filed on or about: June 11, 2003.

Respondent MetLife signed the Uniform Submission Agreement: April 9, 2003.

Joint Statement of Answer filed by Respondents Pakel and Nathanson on or about: July 9, 2003.

Respondent Pakel signed the Uniform Submission Agreement: July 7, 2003.

Respondent Nathanson signed the Uniform Submission Agreement: July 8, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability, misrepresentations and omissions, breach of fiduciary obligations, failure to supervise, breach of customer agreement, negligence and gross negligence. The causes of action relate to mutual fund investments made by Claimant.

Unless specifically admitted in their Statement of Answer, Respondents Pakel and Nathanson denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the

following defenses: Claimant's damages resulted from her own negligence in failing to apprise herself of all facts concerning her investments; Claimant failed to demonstrate a fiduciary duty was owed to her; failure to mitigate damages; Claimant failed to exercise due diligence and ignored known and obvious risks; lack of scienter; Respondents Pakel and Nathanson reasonably believed that the investments recommended were suitable and did not make any material misrepresentations or fail to disclose any material information; lack of justifiable or reasonable reliance; Respondents Pakel and Nathanson acted in accordance with the applicable standard(s) of care; Claimant was notified of all risks relating to her investments; Claimant's damages resulted from unforeseeable events and developments and were not caused by any wrongdoing on the part of Respondents Pakel and Nathanson; and assumption of the risk.

Unless specifically admitted in its Statement of Answer, Respondent MetLife denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: Claimant's damages resulted from her own negligence in failing to apprise herself of all facts concerning her investments and in failing to accurately and completely monitor the status of the benefits arising from them; Claimant failed to demonstrate that a fiduciary duty was owed to her; failure to mitigate damages; Claimant failed to exercise due diligence and ignored known and obvious risks; lack of scienter; Claimant cannot demonstrate that Respondent MetLife knew or reasonably believed that its investment recommendations were unsuitable or that it made any material misrepresentations related to its recommendations; lack of justifiable or reasonable reliance; Respondent MetLife had in place a good faith system of supervision, which negates Claimant's fraud claim and demonstrates adherence to the applicable standard of care; Respondent MetLife's sales were consistent with accepted industry practices; Respondent MetLife did not make any misstatements of material fact; Claimant was notified of all risks relating to her investments; Claimant's damages resulted from market forces and not Respondent MetLife's conduct; and assumption of the risk.

RELIEF REQUESTED

Claimant requested damages in the amount of \$116,000.00 plus interest, costs, expenses, attorneys' fees, and such other relief as the Panel finds just and equitable.

Respondents Pakel and Nathanson requested dismissal of the Statement of Claim with prejudice, costs, attorneys' fees, and such other relief as the Panel deems just and proper.

Respondent MetLife requested dismissal of the Statement of Claim with prejudice, costs, attorneys' fees, and such other relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about December 28, 2004, Claimant notified NASD Dispute Resolution that the parties settled this matter and requested the entry of this Stipulated Award.

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

AWARD

The parties entered an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of an award, the written stipulation thereto, the Panel hereby grants the motion and enters this award granting the following relief:

1. All claims are hereby dismissed with prejudice;
2. Each party shall bear its own costs, including forum fees and attorneys' fees;
3. All other relief not expressly granted is denied;
4. The Panel orders the expungement of all reference to the above captioned arbitration from Respondent Edward Dennis Pakel's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Edward Dennis Pakel must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
5. The Panel orders the expungement of all reference to the above captioned arbitration from Respondent Randolph S. Nathanson's registration records maintained by the CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Randolph S. Nathanson 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 that employed the associated person at the time of the events giving rise to the dispute. In this matter, MetLife Securities, Inc. is a party.

Member Surcharge	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$2,750.00
Total Member Fees	= \$5,200.00

Adjournment Fees

The following adjournment fees are assessed:

March 31, 2004, April 1, 2004, and April 19, 2004, joint adjournment request = Waived

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference: September 26, 2003 1 session	
Total Forum Fees	= \$1,125.00

1. The Panel has assessed \$562.50 of the forum fees against Claimant.
2. The Panel has assessed \$562.50 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$1,493.74
Refund Due Claimant	= \$ 631.24

2. Respondent MetLife is solely liable for:

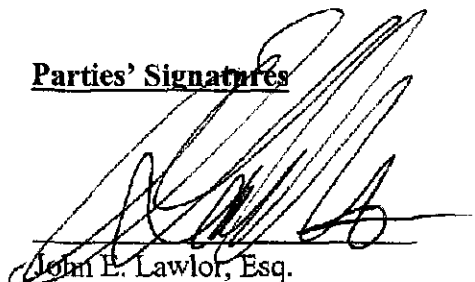
Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
<u>Total Fees</u>	= \$ 562.50
<u>Less payments</u>	= \$ 137.50
Balance Due NASD Dispute Resolution	= \$ 425.00

All balances are due and payable to NASD Dispute Resolution.

Parties' Signatures



John E. Lawlor, Esq.
129 Third Street
Mineola, NY 11501
Attorney for Barbara Wennberg

2/7/05
Signature Date

Jennifer R. Schuster, Esq.
McCarter & English, LLP
Four Gateway Center
100 Mulberry St.
Newark, NJ 07102
Attorneys for MetLife Securities, Inc.

Signature Date

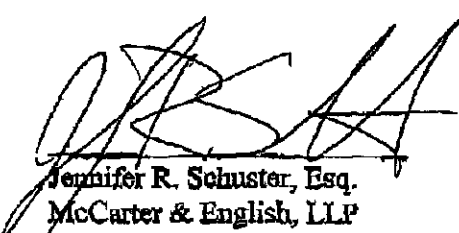
Kevin J. Windels, Esq.
D'Amato & Lynch
70 Pine Street
New York, New York 10270
Attorneys for Edward Dennis Pakel
and Randolph S. Nathanson

Signature Date

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John E. Lawlor, Esq.
129 Third Street
Mineola, NY 11501
Attorney for Barbara Wernberg

Signature Date



Jennifer R. Schuster, Esq.
McCarter & English, LLP
Four Gateway Center
100 Mulberry St.
Newark, NJ 07102
Attorneys for MetLife Securities, Inc.

Jan. 21, 2005
Signature Date

Kevin J. Windels, Esq.
D'Amato & Lynch
70 Pine Street
New York, New York 10270
Attorneys for Edward Dennis Pakel
and Randolph S. Nathanson

Signature Date

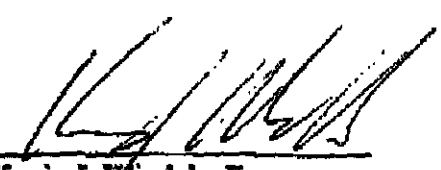
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Mineola, NY 11501
Attorney for Barbara Wennberg

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Jennifer R. Schuster, Esq.
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Four Gateway Center
100 Mulberry St.
Newark, NJ 07102
Attorneys for MetLife Securities, Inc.

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D'Amato & Lynch
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Attorneys for Edward Dennis Pakei
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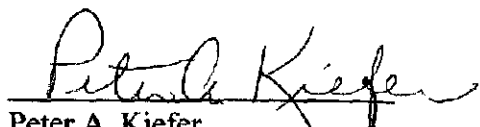


Signature Date

ARBITRATION PANEL

Peter A. Kiefer	-	Public Arbitrator, Presiding Chair
Francis Carling, Esq.	-	Public Arbitrator
Barry R. Temkin	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Peter A. Kiefer
Public Arbitrator, Presiding Chair

2/19/05
Signature Date

Francis Carling
Public Arbitrator, Panelist

Signature Date

Barry R. Temkin
Industry Arbitrator, Panelist

Signature Date

March 8, 2005
Date of Service (For NASD office use only)

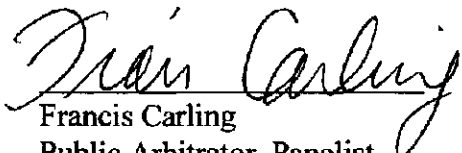
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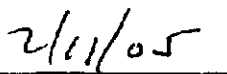
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Public Arbitrator, Presiding Chair

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Francis Carling
Public Arbitrator, Panelist


Signature Date

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Industry Arbitrator, Panelist

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March 8, 2005

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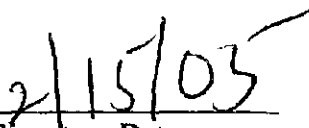
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