
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Betty Goldfarb

Case Number: 03-02261

Name of the Respondent
Prudential Equity Group, L.L.C.

Hearing Site: Boca Raton, Florida

Name of Third Party Respondent
Sanford Goldfarb

Nature of the Dispute: Customer vs. Member vs. Customer.

REPRESENTATION OF PARTIES

For Betty Goldfarb, hereinafter referred to as "Claimant": Thomas P. Willcutts, Esq., Willcutts Law Group, L.L.C., Hartford, Connecticut.

For Prudential Equity Group, LLC ("Prudential"), hereinafter referred to as "Respondent": Brian F. McDonough, Esq., Drinker Biddle & Reath, L.L.P., New York, New York.

For Sanford Goldfarb, hereinafter referred to as "Third Party Respondent": Alan J. Foxman, Esq., The Law Office of Alan J. Foxman, P.A., Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: March 28, 2003.

Claimant signed the Uniform Submission Agreement: March 22, 2003.

Statement of Answer and Third-Party Claim filed by Respondent on or about: June 11, 2003.

Respondent did not file an executed Uniform Submission Agreement.

Statement of Answer, Affirmative Defenses, and Motion to Dismiss filed by Third Party Respondent on or about: October 18, 2004.

Third Party Respondent did not file an executed Uniform Submission Agreement.

Respondent's Opposition to Third Party Respondent's Motion to Dismiss filed on or about: November 12, 2004.

Third Party Respondent's Reply to Respondent's Response to Motion to Dismiss Third Party Claim filed on or about: November 16, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: violation of the anti-fraud provision of the 1933 and 1934 Securities Acts; violation of the Connecticut Uniform Securities Act and the regulations promulgated thereunder; breach of contract; negligence; common law fraud; fraudulent nondisclosure; breach of fiduciary duty; and, respondeat superior. The causes of action relate to the purchase and sale of Genzyme Molecular Oncology Division and Concurrent Computer Company stocks in Claimant's account.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In its Third Party Claim, Respondent asserted the causes of action of indemnification and contribution.

Unless specifically admitted in his Answer, Third Party Respondent denied the allegations made in the Third Party Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested rescission of all trades; compensatory damages of \$1,550,000.00; punitive damages of 1,550,000.00; reimbursement of all trading commissions, fees and margin interest; reasonable attorneys' fees; costs; expenses; and, such other legal and equitable relief as deemed proper.

Respondent requested that the claim be denied. In addition, in its Third Party Claim, Respondent requested indemnification and contribution from Third Party Respondent for any amount for which it may be found liable to Claimant.

Third Party Respondent requested that the Panel grant his Motion to Dismiss the Third Party Claim and award him costs and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution ("NASD") a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Third Party Respondent did not file with NASD a properly executed Uniform Submission Agreement but having answered the claim, is bound by the determination of the Panel on all issues submitted.

On December 14, 2004, oral argument was heard on Third Party Respondent's Motion to Dismiss. After careful consideration, and a review of all documents, the Panel issued an Order on December 14, 2004, which granted, with prejudice, the Motion to Dismiss Third Party Claim.

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

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:

Claimant's claims are denied in their entirety.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are 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
Third Party Claim filing fee	= \$2,000.00

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 is a member firm and a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$5,000.00</u>
Total Member Fees	= \$8,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 23-25, 2004, adjournment requested by Claimant.	= \$1,200.00
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The Panel waived the total adjournment fee of \$1,200.00.

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:

No three-day cancellation fees were incurred in this matter.

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 incurred in this matter.

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/session = \$ 900.00

Pre-hearing conferences: March 1, 2004 1 session
February 3, 2005 1 session

Two (2) Pre-hearing sessions with Panel @ \$1,200.00/session = \$2,400.00

Pre-hearing conferences: November 3, 2003 1 session
December 14, 2004 1 session

Four (4) Hearing sessions @ \$1,200.00/session = \$4,800.00

Hearing Dates: February 8, 2005 2 sessions
February 9, 2005 2 sessions

Total Forum Fees = \$8,100.00

The Panel has assessed forum fees of \$4,050.00 to Claimant.

The Panel has assessed form fees of \$4,050.00 to Respondent.

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 in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 4,050.00
Total Fees	= \$ 4,650.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 2,850.00

Respondent is solely liable for:

Third-Party Claim Filing Fee	= \$ 2,000.00
Member Fees	= \$ 8,550.00
Forum Fees	= \$ 4,050.00
Total Fees	= \$14,600.00
Less payments	= \$11,750.00

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Balance Due NASD Dispute Resolution = \$ 2,850.00

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

ARBITRATION PANEL

Carmen A. Gross	-	Public Arbitrator, Presiding Chairperson
Elizabeth L. Clark	-	Public Arbitrator
David P. Wardwell	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Carmen A. Gross
Public Arbitrator, Presiding Chairperson

February 11, 2005
Signature Date

/s/
Elizabeth L. Clark
Public Arbitrator

February 11, 2005
Signature Date

/s/
David P. Wardwell
Non-Public Arbitrator

February 12, 2005
Signature Date

February 14, 2005
Date of Service (For NASD Dispute Resolution office use only)

Balance Due NASD Dispute Resolution

= \$ 2,850.00

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Elizabeth L. Clark	-	Public Arbitrator
David P. Wardwell	-	Non-Public Arbitrator

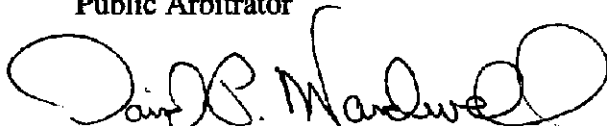
Concurring Arbitrators' Signatures

Carmen A. Gross
Public Arbitrator, Presiding Chairperson

Signature Date

Elizabeth L. Clark
Public Arbitrator

Signature Date



David P. Wardwell
Non-Public Arbitrator

2-12-05
Signature Date

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

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Balance Due NASD Dispute Resolution

= \$ 2,850.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10310(g) of the Code.

ARBITRATION PANEL

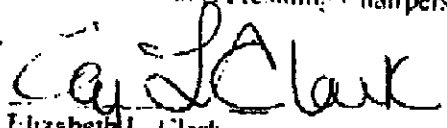
Carmen A. Gross
Elizabeth L. Clark
David P. Wardwell

Public Arbitrator Presiding Chairperson
Public Arbitrator
Non Public Arbitrator

Concurring Arbitrators' Signatures

Carmen A. Gross
Public Arbitrator Presiding Chairperson

Signature Date


Elizabeth L. Clark
Public Arbitrator

2/11/05
Signature Date

David P. Wardwell
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution
Arbitration No. 03-02261
Award Page 5 of 5

Balance Due NASD Dispute Resolution

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ARBITRATION PANEL

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Elizabeth L. Clark	-	Public Arbitrator
David P. Wardwell	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Carmen A. Gross
Public Arbitrator, Presiding Chairperson

2/11/05
Signature Date

Elizabeth L. Clark
Public Arbitrator

Signature Date

David P. Wardwell
Non-Public Arbitrator

Signature Date

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