

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant

Lynda C. Maus

Case Number: 03-04961

Names of the Respondents

Prudential Equity Group, LLC

Duane R. Rayburn

Hearing Site: Pittsburgh, Pennsylvania

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

REPRESENTATION OF PARTIES

Claimant, Lynda C. Maus, hereinafter referred to as "Claimant", was represented by Harold J. Bender, Esq., Attorney at Law, Erie, Pennsylvania.

Respondents, Prudential Equity Group, LLC ("Prudential") and Duane R. Rayburn ("Rayburn"), hereinafter collectively referred to as "Respondents", were represented by Anne Bentley McCray, Esq., McGuire Woods, LLP, Richmond, Virginia.

CASE INFORMATION

Statement of Claim filed on July 7, 2003.

Claimant signed the Uniform Submission Agreement on June 19, 2003.

Statement of Answer filed on September 22, 2003.

Respondent Prudential did not file a Uniform Submission Agreement with NASD Dispute Resolution.

Respondent Rayburn did not file a Uniform Submission Agreement with NASD Dispute Resolution.

CASE SUMMARY

Claimant asserted the following causes of action, among others: suitability, misrepresentation, *respondeat superior*, violation of Section 20(a) of Securities and Exchange Act of 1934, and breach of fiduciary duty. The causes of action relate to the purchase and sale of various unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested \$352,733.81 in compensatory damages; treble damages; and attorney's fees.

Respondents requested that the Statement of Claim be dismissed in its entirety with prejudice, that the forum fees be assessed against Claimant, and that the Arbitration Panel (the "Panel") order the expungement of all reference to this matter from Respondent Rayburn's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

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, the testimony and evidence presented at the hearing, the Arbitration Panel (the "Panel") has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Prudential and Rayburn are jointly and severally liable to and shall pay to Claimant the sum of \$79,712.00 in compensatory damages;
2. The parties shall bear their respective costs except as awarded above and as Fees are specifically addressed below; and
3. Any and all relief not specifically addressed herein, including treble damages, is denied in its entirety.

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	= \$ 500.00
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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, Respondent Prudential 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 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 a single arbitrator @ \$ 450.00	= \$ 450.00
Pre-hearing conference: July 22, 2004 1 session	
One (1) Pre-hearing session with Panel @ \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: January 5, 2004 1 session	
Five (5) Hearing sessions @ \$ 1,200.00	= \$ 6,000.00
Hearing Dates: October 5, 2004 2 sessions	
October 6, 2004 2 sessions	
October 7, 2004 1 session	
Total Forum Fees	= \$ 7,650.00

The Panel has assessed \$ 7,650.00 of the forum fees to Respondent Prudential.

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.

Respondent Prudential requested document duplication	= \$ 5.75
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Fee Summary

1. Claimant are assessed and shall pay:

Initial Filing Fee	= \$ 500.00
Total Fees	= \$ 500.00
Less payments	= \$ 1,700.00
Refund owed Claimant	= \$ 1,200.00

2. Respondent Prudential is assessed and shall pay:

Member Fees	= \$ 8,550.00
Forum Fees	= \$ 7,650.00
Administrative Costs	= \$ 5.75
Total Fees	= \$ 16,205.75
Less payments	= \$ 8,555.75
Balance Due NASD Dispute Resolution	= \$ 7,650.00

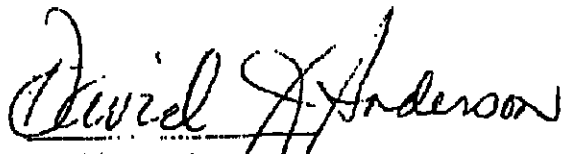
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule

10330(g) of the Code.

ARBITRATION PANEL

David J. Anderson	-	Public Arbitrator, Presiding Chairperson
Mark K. Gubinsky, Esq.	-	Public Arbitrator, Panelist
Ralph L. Corton, Jr., CFA	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


David J. Anderson
Public Arbitrator, Presiding Chairperson

OCTOBER 11, 2004
Signature Date

Mark K. Gubinsky, Esq.
Public Arbitrator, Panelist

Signature Date

Ralph L. Corton, Jr., CFA
Non-Public Arbitrator, Panelist


Signature Date

October 14, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

David J. Anderson
Public Arbitrator, Presiding Chairperson

Signature Date



Mark K. Gubinsky, Esq.
Public Arbitrator, Panelist

10/14/04

Signature Date:

Ralph L. Corton, Jr., CFA
Non-Public Arbitrator, Panelist

Signature Date:

October 14, 2004
Date of Service (For NASD Dispute Resolution office use only)


Concurring Arbitrators' Signatures

David J. Anderson
Public Arbitrator, Presiding Chairperson

Signature Date:

Mark K. Gubinsky, Esq.
Public Arbitrator, Panelist

Signature Date:



Ralph L. Corton, Jr., CFA
Non-Public Arbitrator, Panelist

10/12/2004

Signature Date:

October 14, 2004

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