

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Name of Claimant

Marlene B. Magill

and

03-09130
Kansas City, Missouri

Name of Respondents

Prudential Equity Group, LLC
PruCo Securities, LLC
David James Neihart
Johnnie C. Huff and
Larry S. Singer

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

REPRESENTATION OF PARTIES

Marlene B. Magill ("Claimant") was represented by Scott K. Martinsen, Esq., Bret Curtis, Esq. and Kirsten Byrd, Esq., Blackwell, Sanders, Peper, Martin, LLP, Overland Park, Kansas.

Prudential Equity Group, LLC ("Prudential"), David James Neihart ("Neihart") and Johnnie C. Huff ("Huff") were represented by Johanna F. Telke, Esq. and John W. Shaw, Esq., Berkowitz, Stanton, Brandt, William & Shaw, Kansas City, Missouri.

PruCo Securities, LLC ("PruCo") and Larry S. Singer ("Singer") were represented by David V. Clark, Esq., Lathrop & Gage, Kansas City, Missouri.

Prudential, Neihart, Huff, PruCo and Singer are hereinafter collectively referred to as "Respondents".

CASE INFORMATION

The Statement of Claim was filed on or about December 29, 2003. The Submission Agreement of Claimant was signed on or about November 19, 2003.

The Statement of Answer was filed jointly by Respondents Prudential, Neihart and Huff, on or about March 4, 2004. The Submission Agreement of Respondent Prudential was signed on or about February 24, 2004. The Submission Agreement of Respondent Neihart was signed on or about February 22, 2004. The Submission Agreement of Respondent Huff was signed on or about February 24, 2004.

The Statement of Answer was filed jointly by Respondents PruCo and Singer on or about March 4, 2002. The Submission Agreement of Respondent PruCo was signed on or about March 12, 2004. The Submission Agreement of Respondent Singer was signed on or about March 11, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; breach of contract; violation of the Kansas Consumer Protection Act; and fraud. The causes of action relate to the formation of the Marlene B. Magill Charitable Remainder Annuity Trust and accounts held at Prudential Equity Group, LLC and insurance product purchased through an agent of PruCo Securities Corp.

Unless specifically admitted in their Answer, Respondents Prudential, Neihart and Huff denied the allegations of wrongdoing set forth in the Statement of Claim, alleged that Claimant had not suffered any damages and asserted that Claimant failed to state a claim upon which relief may be granted.

Unless specifically admitted in their Answer, Respondents PruCo Securities Corp. and Singer denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: failure to mitigate; good faith; ratification; and authorization.

RELIEF REQUESTED

Claimant requested actual damages in the amount of \$438,954.65, plus interest and tax penalties. Claimant also requested punitive damages in the amount of \$438,954.65 and costs in pursuing her claims, and attorneys' fees.

Respondents, Prudential, Neihart, Huff, PruCo and Singer, have requested: dismissal of the Statement of Claim in its entirety with prejudice; a directive by the Panel that all references to the proceeding be expunged from the CRD records of Respondents Neihart, Huff, and Singer, fees, costs, and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

The parties advised NASD Dispute Resolution that they entered into an agreement to settle this matter on certain terms and conditions set forth in a confidential settlement agreement.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies. The parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the pleadings and the stipulation of the parties, but without making any findings of fact or conclusions of law, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination and find as follows:

1. The Statement of Claim and all claims asserted therein are hereby dismissed with prejudice;
2. Each party shall bear their own costs, expenses and forum fees;
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents David Neihart, John Huff, and Larry Singer'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, Respondents David Neihart, John Huff, and Larry Singer must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
4. The parties shall execute any and all documents required by the NASD and the courts necessary to make these changes; and
5. Any and all relief not specifically addressed herein, including punitive damages, is 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	\$ 375.00
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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. In this matter, the member firm is Prudential Equity Group, LLC

Member surcharge	\$ 2,250.00
Pre-hearing process fee	\$ 750.00
Hearing process fee	<u>\$ 4,000.00</u>
Total Member Fees	\$ 7,000.00

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, the member firm is PruCo Securities, LLC

Member surcharge	\$ 2,250.00
Pre-hearing process fee	\$ 750.00
Hearing process fee	\$ 4,000.00
Total Member Fees	\$ 7,000.00

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:

On February 22, 2005, the parties informed NASD that they settled and no longer need the scheduled hearings set for February 22-25, 2005

Total Cancellation Fees	\$ 300.00
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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) Hearing session	x	\$ 1,200.00	\$ 1,200.00
Hearing Date:	6/1/2004	1 session	
Total Forum Fees			\$ 1,200.00

The Arbitration Panel has assessed the following forum fees to Claimant	\$ 200.00
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The Arbitration Panel has assessed the following forum fees to Respondent Prudential	\$ 200.00
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The Arbitration Panel has assessed the following forum fees to Respondent PruCo	\$ 200.00
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The Arbitration Panel has assessed the following forum fees to Respondent Neihart	\$ 200.00
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The Arbitration Panel has assessed the following forum fees to Respondent Huff	\$ 200.00
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The Arbitration Panel has assessed the following forum fees to Respondent Singer	\$ 200.00
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FEE SUMMARY

Claimant shall be and hereby is liable for:

Initial Filing Fee	\$ 375.00
Three Day Cancellation Fee	\$ 50.00
Hearing Deposit Retained	\$ 1,000.00
Forum Fees	\$ 200.00
Total Fees	\$ 1,625.00
Less Payments	\$ 1,575.00
Balance Due NASD Dispute Resolution	\$ 50.00

Respondent, Prudential, shall be and hereby is liable for:

Member Fee	\$ 7,000.00
Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 7,250.00
Less Payments	\$ 11,000.00
Balance refunded by NASD Dispute Resolution	\$ -3,750.00

Respondent, PruCo, shall be and hereby is liable for:

Member Fee	\$ 7,000.00
Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 7,250.00
Less Payments	\$ 7,000.00
Balance Due NASD Dispute Resolution	\$ 250.00

Respondent, Neihart, shall be and hereby is liable for:

Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 250.00
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 250.00

Respondent, Huff, shall be and hereby is liable for:

Three Day Cancellation Fee	\$	50.00
Forum Fees	\$	200.00
Total Fees	\$	250.00
Less Payments	\$	0.00
Balance Due NASD Dispute Resolution	\$	250.00

Respondent, Singer, shall be and hereby is liable for:

Three Day Cancellation Fee	\$	50.00
Forum Fees	\$	200.00
Total Fees	\$	250.00
Less Payments	\$	0.00
Balance Due NASD Dispute Resolution	\$	250.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Robert A. Babcock, Esq. - Public Arbitrator, Presiding Chair
Murray S. Levin, Esq. - Public Arbitrator
Thomas P. Hoover - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Robert A. Babcock
Robert A. Babcock, Esq.
Public Arbitrator, Presiding Chair

August 25, 2005
Signature Date

/s/ Murray S. Levin
Murray S. Levin, Esq.
Public Arbitrator

September 2, 2005
Signature Date

/s/ Thomas P. Hoover
Thomas P. Hoover
Non-Public Arbitrator

August 26, 2005
Signature Date

9/15/05
Date of Service (For NASD office use only)

NASD Dispute Resolution
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Stipulated Award Page 6 of 6

Respondent, Huff, shall be and hereby is liable for:

Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 250.00
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 250.00

Respondent, Singer, shall be and hereby is liable for:

Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 250.00
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 250.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Robert A. Babcock, Esq. - Public Arbitrator, Presiding Chair
Murray S. Levin, Esq. - Public Arbitrator
Thomas P. Hoover - Non-Public Arbitrator

Concurring Arbitrators:



Robert A. Babcock, Esq.
Public Arbitrator, Presiding Chair

August 25, 2005
Signature Date

Murray S. Levin, Esq.
Public Arbitrator

Signature Date

Thomas P. Hoover
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-09130
Stipulated Award Page 6 of 6

Respondent, Huff, shall be and hereby is liable for:

Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 250.00
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 250.00

Respondent, Singer, shall be and hereby is liable for:

Three Day Cancellation Fee	\$ 50.00
Forum Fees	\$ 200.00
Total Fees	\$ 250.00
Less Payments	\$ 0.00
Balance Due NASD Dispute Resolution	\$ 250.00


All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Robert A. Babcock, Esq. - Public Arbitrator, Presiding Chair
Murray S. Levin, Esq. - Public Arbitrator
Thomas P. Hoover - Non-Public Arbitrator

Concurring Arbitrators:

Robert A. Babcock, Esq.
Public Arbitrator, Presiding Chair


Murray S. Levin, Esq.
Public Arbitrator

Signature Date

9/2/05
Signature Date

Thomas P. Hoover
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
 Arbitration No. 03-09130
 Stipulated Award Page 6 of 6

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Respondent, Huff, shall be and hereby is liable for:

Three Day Cancellation Fee	\$	50.00
Forum Fees	\$	200.00
Total Fees	\$	250.00
Less Payments	\$	0.00
Balance Due NASD Dispute Resolution	\$	250.00

Respondent, Singer, shall be and hereby is liable for:

Three Day Cancellation Fee	\$	50.00
Forum Fees	\$	200.00
Total Fees	\$	250.00
Less Payments	\$	0.00
Balance Due NASD Dispute Resolution	\$	250.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Robert A. Babcock, Esq. - Public Arbitrator, Presiding Chair
 Murray S. Levin, Esq. - Public Arbitrator
 Thomas P. Hoover - Non-Public Arbitrator

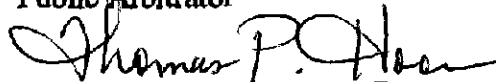
Concurring Arbitrators:

 Robert A. Babcock, Esq.
 Public Arbitrator, Presiding Chair

 Signature Date

 Murray S. Levin, Esq.
 Public Arbitrator

 Signature Date



 Thomas P. Hoover
 Non-Public Arbitrator

8-26-05
 Signature Date

 Date of Service (For NASD office use only)