

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Thomas Russ, Jr., and Thomas Russ Jr., IRA Rollover DTD 6/17/00 (Claimants) v. Prudential Equity Group, LLC f/k/a Prudential Securities, Inc. and Undra Johnson (Respondents)

Case Number: 04-02754

Hearing Site: Columbus, Ohio

Nature of the Dispute: Customers vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimants Thomas Russ, Jr. ("Russ"), and Thomas Russ Jr., IRA Rollover DTD 6/17/00 ("Russ IRA") hereinafter collectively referred to as "Claimants": Vicki Kufic Horne, Esq., Pittsburgh, PA.

Respondents Prudential Equity Group, LLC f/k/a Prudential Securities, Inc. ("Prudential") and Undra Johnson ("Johnson") hereinafter collectively referred to as "Respondents": Jeremy A. Cohen, Esq., Kramer Levin Naftalis & Frankel, LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: April 7, 2004.

Claimants signed the Uniform Submission Agreement: March 29, 2004.

Joint Statement of Answer filed by Respondents on or about: July 15, 2004.

Respondent Prudential signed the Uniform Submission Agreement: July 7, 2004.

Respondent Johnson signed the Uniform Submission Agreement: July 13, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract; breach of fiduciary duty; negligence; and violation of the West Virginia Securities Act. The causes of action relate to mutual funds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$300,000.00; damages representing the loss of growth of the investment and/or interest on the investment, or alternatively, the loss of the benefit of the bargain damages; compensatory damages for fraud, misrepresentation, negligence, and breach of duties; interest; legal fees; expenses and further relief as is permitted pursuant to the West Virginia Uniform Securities Act; punitive damages; interest, costs and expenses; and such further and additional relief as the Panel deems just and proper.

Respondents requested that each and every claim be dismissed in all respects and that the Panel award such other and further relief as is just and proper, including costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND 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.

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:

1. Claimants' claims are dismissed in their entirety.
2. 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	= \$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. Accordingly, Prudential Equity Group, LLC f/k/a Prudential Securities, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$1,125.00		= \$1,125.00
Pre-hearing conference:	September 22, 2004	1 session
Four (4) Hearing sessions @ \$1,125.00		= \$4,500.00
Hearing Dates:	March 9, 2005	2 sessions
	March 11, 2005	2 sessions
Total Forum Fees		= \$5,625.00

1. The Panel has assessed \$5,625.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$1,425.00
Refund Due Claimants	= \$1,125.00

2. Respondent Prudential is solely liable for:

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

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$5,625.00
Total Fees	= \$5,625.00
<u>Less payments</u>	= \$2,750.00
Balance Due NASD Dispute Resolution	= \$2,875.00

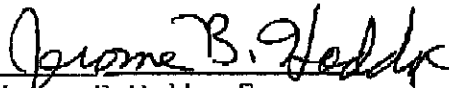
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jerome B. Haddox, Esq.	-	Public Arbitrator, Presiding Chairperson
Benjamin B. Segel, Esq.	-	Public Arbitrator
Ralph Kennedy Frasier, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



Jerome B. Haddox, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

Benjamin B. Segel, Esq.
Public Arbitrator

Signature Date

Ralph Kennedy Frasier, J.D.
Non-Public Arbitrator

Signature Date

April 1, 2005

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Jerome B. Haddox, Esq.	-	Public Arbitrator, Presiding Chairperson
Benjamin B. Segel, Esq.	-	Public Arbitrator
Ralph Kennedy Frasier, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Jerome B. Haddox, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Benjamin B. Segel, Esq.
Public Arbitrator

3/31/05

Signature Date

Ralph Kennedy Frasier, J.D.
Non-Public Arbitrator

Signature Date

April 1, 2005

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Jerome B. Haddox, Esq.

- Public Arbitrator, Presiding Chairperson

Benjamin B. Segel, Esq.

- Public Arbitrator

Ralph Kennedy Frasier, J.D.

- Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Jerome B. Haddox, Esq.

Public Arbitrator, Presiding Chairperson

Signature Date

Benjamin B. Segel, Esq.

Public Arbitrator

Signature Date



Ralph Kennedy Frasier, J.D.

Non-Public Arbitrator

March 18, 2005
Signature Date

April 1, 2005

Date of Service (For NASD Dispute Resolution use only)