
**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimants

Joseph L. Boain, Individually and
On Behalf of His IRA Accounts and as
Co-Trustee of the Boain Family Trust

Case Number: 04-02804

Name of the Respondent

Prudential Equity Group, LLC

Hearing Site: St Louis, Missouri

Nature of the Dispute: Customer vs. Member Firm

REPRESENTATION OF PARTIES

Claimant, Joseph L. Boain, Individually and on Behalf of His IRA Accounts and as Co-Trustee of the Boain Family Trust ("Boain"), hereinafter referred to as "Claimant": Donald J. Mehan, Esq. of the law firm Moline, Shostak & Mehan, LLC, located in St. Louis, Missouri.

Respondent, Prudential Equity Group, LLC ("Prudential"), hereinafter referred to as "Respondent": Beth Black, Esq. of the law firm Morgan Lewis & Bockius, LLP, located in Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on April 14, 2004. Claimant signed the Uniform Submission Agreement on April 13, 2004.

Statement of Answer filed by Respondent Prudential on July 30, 2004. Prudential signed the Uniform Submission Agreement on June 11, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: negligence, breach of fiduciary duty, misrepresentations and unauthorized trading. The causes of action relate to unspecified investments made for the Boain Family Trust Account. Claimant asserted that the short-term trading of "new economy" and "high technology" stocks were unauthorized and unsuitable investments for the Claimant.

Unless specifically admitted in its Answer, Prudential denied the allegations made in the Statement of Claim and asserted the following defenses: ratification; statute of limitations and laches; assumption of the risk; contributory negligence; no reasonable basis for damages; failure to state a claim; compliance with rules and regulations; mitigation of damages; damages caused by intervening acts; failure to prove loss causation; estoppel; and waiver.

RELIEF REQUESTED

Claimant requested \$560,000.00; punitive damages; costs; interest; attorney's fees; and any other relief deemed just and proper by the Arbitration Panel.

Respondent Prudential requested denial and dismissal of the Statement of Claim with prejudice and for such other and further relief as the Panel deems just and proper, including attorney's fees and costs.

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 Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Any and all claims asserted by Claimants, Joseph L. Boain, Individually and On Behalf of His IRA Accounts and as Co-Trustee of the Boain Family Trust, are denied.
2. Except as otherwise specified herein, parties shall bear their own costs, including attorneys' fees.
3. 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. Accordingly, Prudential Equity Group, LLC is a party to this proceeding and is assessed the following party:

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

December 14-16, 2004, adjournment by Claimant	= \$ 1,200.00 (waived by Panel)
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3-Day Cancellation Fees for adjournment = \$ 300.00

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 arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

Three (3) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 3,600.00

Pre-hearing conference: October 19, 2004 1 session
 December 13, 2004 1 session
 September 23, 2005 1 session

Six (6) Hearing sessions @ \$1,200.00 = \$ 7,200.00

Hearing Dates: September 7, 2005 2 sessions
 September 8, 2005 2 sessions
 September 9, 2005 2 sessions

Total Forum Fees = \$10,800.00

1. The Panel believes that there were certain deficiencies in the supervision exercised by Respondent Prudential, but concluded that such lack of supervision was not to the degree that would give rise, in this case, to liability or damages. Therefore, the Panel assessed 100% of the total forum fees in the amount of \$10,800.00 solely to Respondent Prudential Equity Group, LLC.

FFF SUMMARY

1. Claimant, Joseph J. Boain, Individually and for the Boain Family Trust, is solely liable for:

Initial Filing Fee	= \$ 375.00
3-Day Cancellation Fee	= \$ 150.00
Total Fees	= \$ 525.00
Less payments	= \$ 1,575.00
Refund Due from NASD Dispute Resolution	= \$ 1,050.00

2. Respondent, Prudential Equity Group, LLC, is solely liable for:

Member Fees	= \$ 7,000.00
3-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$10,800.00
Total Fees	= \$17,950.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$10,950.00

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

ARBITRATION PANEL

Raymond R. Hirsch, Esq.	-	Public Arbitrator, Presiding Chairperson
Arthur L. Smith, Esq.	-	Public Arbitrator
M. Eileen Dorsey, CFP	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/ Raymond R. Hirsch, Esq.

Raymond R. Hirsch, Esq.

Public Arbitrator, Presiding Chairperson

10/6/05

Signature Date

/s/ Arthur L. Smith, Esq.

Arthur L. Smith, Esq.

Public Arbitrator

10/10/05

Signature Date

/s/ M. Eileen Dorsey, CFP

M. Eileen Dorsey, CFP

Non-Public Arbitrator

10/6/05

Signature Date

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

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