

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Susan Avellino v. Prudential Securities, Inc. and Scott Hansen

Case Number: 04-04388

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Susan Avellino hereinafter referred to as "Claimant": John E. Lawlor, Esq., Mineola, New York.

Respondents Prudential Equity Group, LLC f/k/a Prudential Securities, Inc., ("Prudential") and Scott Hansen ("Hansen") hereinafter collectively referred to as "Respondents": Marianne Yen, Esq., previously Howard R. Elisofon, Esq., Herrick, Feinstein LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: June 21, 2004.

Claimant Susan Avellino signed the Uniform Submission Agreement: April 11, 2003.

Joint Statement of Answer filed by Respondents on or about: August 12, 2004.

Respondent Prudential Securities signed the Uniform Submission Agreement: August 23, 2004

Respondent Scott Hansen signed the Uniform Submission Agreement: August 10, 2004

CASE SUMMARY

Claimant asserted the following causes of action: unauthorized trading, control person liability, failure to supervise, omissions, common law fraud, breach of contract, negligent or intentional misrepresentations, breach of regulatory and fiduciary duties, and account related negligence.

Claimant's causes of action relate to CSCO puts.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$273,000.00; interest on her lost investment principal; the costs and disbursements of this proceeding, including reasonable attorneys' fees; and any other and further relief the Panel deems appropriate.

Respondents requested dismissal of the Statement of Claim in its entirety; costs; attorneys' fees; a recommendation that the matter be expunged from the registration records of Respondent Hansen; and any other further relief as deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about March 22, 2005, NASD Dispute Resolution was notified that the Claimant discontinued with prejudice her claims against Respondents and that the parties requested a Stipulated Award.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written disposition thereto, the Panel grants the motion and enters this award granting the following relief:

1. Claimant's claims are dismissed with prejudice in their entirety.
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Hansen's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Hansen must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration Panel has made the following affirmative findings of fact:

The claim, allegation, or information is clearly erroneous.

3. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$300.00
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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(s) at the time of the events giving rise to the dispute. In this matter, Prudential Securities, Inc. is a party.

Member Surcharge	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

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:

March 23-24, 2005, settled by the parties	= \$ 300.00
Claimant's share	= \$100.00
Respondent Prudential's share	= \$100.00
Respondent Hansen's share	= \$100.00

Forum Fees and Assessments

The Arbitrator assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

Two (2) pre-hearing conference sessions with the Panel @ \$1,125.00/session	=\$2,250.00
Pre-hearing conferences: October 25, 2004 1 session	
November 22, 2004 1 session	
Total Forum Fees	<u>=\$2,250.00</u>

1. The Panel assessed one-half of the forum fees for the October 25, 2004 pre-hearing conference in the amount of \$562.50 against Claimant

2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, "(Code)", Claimant has been assessed one-third of the forum fees in the amount of \$375.00 for the November 22, 2004 pre-hearing conference.
3. The Panel assessed one-half of the forum fees in the amount of \$562.50 of for the October 25, 2004 pre-hearing conference, jointly and severally against Respondents.
4. In accordance with Rule 10306 of the Code, Respondent Prudential has been assessed one-third of the forum fees in the amount of \$375.00 for the November 22, 2004 pre-hearing conference.
5. In accordance with Rule 10306 of the Code, Respondent Hansen has been assessed one-third of the forum fees in the amount of \$375.00 for the November 22, 2004 pre-hearing conference.

Pursuant to Rule 10332(f) of the Code, NASD Dispute Resolution is retaining the total initial amount of the hearing session deposited by the Claimant because this office was notified by the parties that they settled this matter within eight business days of the first scheduled hearing session.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Three-Day Cancellation Fee	= \$ 100.00
<u>Forum Fees</u>	<u>= \$1,125.00</u>
Total Fees	= \$1,525.00
<u>Less Payments</u>	<u>= \$1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 100.00

2. Respondent Prudential is solely liable for:

Member Fees	= \$5,200.00
Three-Day Cancellation Fee	= \$ 100.00
<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$5,675.00
<u>Less payments</u>	<u>= \$5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 475.00

3. Respondent Hansen is solely liable for:

Three-Day Cancellation Fee	= \$ 100.00
<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$ 475.00
<u>Less payments</u>	<u>= \$ 0.00</u>

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Balance Due NASD Dispute Resolution = \$ 475.00

4. Respondents are jointly and severally liable for:

Forum Fees = \$ 562.50

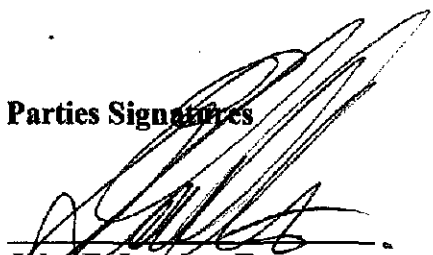
Total Fees = \$ 562.50

Less payments = \$ 0.00


Balance Due NASD Dispute Resolution, Inc. = \$ 562.50

All balances are due and payable to NASD Dispute Resolution

Parties Signatures


John E. Lawlor, Esq.
Attorney for Claimant

5/20/05
Signature Date


~~Howard R. Elise, Esq.~~
Attorney for Respondents
Carol M. Goodman, Esq.

5/23/05
Signature Date

NASD REGULATION

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ARBITRATION PANEL

Howard D. Jacob, Esq.
Roy L. Weiss, Esq.
David Denison

- Public Arbitrator, Presiding Chair
- Public Arbitrator
- Non-Public Arbitrator

Howard D. Jacob
Howard D. Jacob, Esq.
Public Arbitrator, Presiding Chair

7/28/05
Signature Date

Roy L. Weiss
Roy L. Weiss, Esq.
Public Arbitrator

Signature Date

David Denison
David Denison
Non-Public Arbitrator

Signature Date

July 29 2005
Date of Service (For NASD office use only)

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Roy L. Weiss, Esq.
David Denison

- Public Arbitrator, Presiding Chair
- Public Arbitrator
- Non-Public Arbitrator

Howard D. Jacob, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Roy L. Weiss, Esq.
Public Arbitrator

7/28/05

Signature Date

David Denison
Non-Public Arbitrator

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Howard D. Jacob, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Roy L. Weiss, Esq.
Public Arbitrator

Signature Date

David Denison

David Denison
Non-Public Arbitrator

7/27/05

Signature Date

July 29, 2005

Date of Service (For NASD office use only)