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**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant

Charles J. Hazlett

Case Number: 04-08628

Names of the Respondents

Wachovia Securities, LLC

Prudential Equity Group, LLC

f/k/a Prudential Securities Incorporated

Hearing Site: Boca Raton, Florida

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Nature of the Dispute: Customer vs. Member.

**REPRESENTATION OF PARTIES**

For Charles J. Hazlett, hereinafter referred to as "Claimant": Richard M. Bales, Jr., Bales & Sommers, P.A., Miami, Florida.

For Wachovia Securities, LLC, hereinafter referred to as "Respondent Wachovia": Kevin B. Hurley, Senior Vice President and Chief Litigation Counsel with Respondent Wachovia, Richmond, Virginia.

For Prudential Equity Group, LLC f/k/a Prudential Securities Incorporated, hereinafter referred to as "Respondent Prudential": Richard L. Martens, Esq., Law Offices Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: December 24, 2004.

Amended Statement of Claim filed on or about: January 27, 2005.

Claimant signed Uniform Submission Agreements on: December 21, 2004 and February 1, 2005.

Statement of Answer and Affirmative Defenses to Amended Statement of Claim filed by Respondent Prudential on or about: March 21, 2005.

Respondent Prudential signed the Uniform Submission Agreement on: March 21, 2005.

Respondent Wachovia did not file a Statement of Answer or executed Uniform Submission Agreement.

### **CASE SUMMARY**

Claimant alleged the following causes of action: 1) breach of the MasterShare Agreement; 2) breach of the duty of good faith and fair dealing; 3) unjust enrichment; 4) breach of the principles of equitable and just practices of trade; 5) breach of oral employment agreement; and 6) promissory note and equitable estoppel. The causes of action relate to unpaid commissions and Claimant's termination of employment with Respondent Prudential.

Unless specifically admitted in its Statement of Answer, Respondent Prudential denied the allegations made in the Statement of Claim and asserted various defenses.

### **RELIEF REQUESTED**

Claimant requested: 1) compensatory damages; 2) punitive damages; 3) attorneys' fees; 4) costs; and 5) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent Prudential requested: 1) dismissal, with prejudice, of the Amended Statement of Claim in its entirety; 2) costs; and 3) attorneys' fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about January 27, 2005, Claimant filed his Amended Statement of Claim wherein Claimant dismissed Respondent Wachovia and named Respondent Prudential as the sole respondent in the above-captioned arbitration proceeding.

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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Prudential is liable for breach of the MasterShare Agreement and shall pay to Claimant compensatory damages in the amount of \$253,045.22, plus interest at the Florida statutory rate which shall accrue from March 14, 2006 until payment in full.
2. Claimant's requests for punitive damages and attorneys' fees are denied.
3. Respondent Prudential's request for attorneys' fees is denied.
4. Any and all claims for relief not specifically addressed herein are denied.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

#### **Filing Fees**

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 250.00

#### **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, Respondent Prudential is a member firm and a party.

Member surcharge = \$1,500.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,200.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

#### **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:

There were no three-day cancellation fees assessed during these proceedings.

#### **Injunctive Relief Fees**

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

#### **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 @ \$1,000.00 per session = \$ 1,000.00

Pre-hearing conference: June 2, 2005 1 session

Nine (9) Hearing sessions @ \$1,000.00 per session = \$ 9,000.00

Hearing Dates:	February 13, 2006	2 sessions
	February 14, 2006	2 sessions
	February 15, 2006	3 sessions
	February 16, 2006	2 sessions

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Total Forum Fees	= \$10,000.00
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The Panel has assessed the total forum fees in the amount of \$10,000.00 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.

There were no administrative costs incurred during these proceedings.

**Fee Summary**

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 250.00
<u>Total Fees</u>	= \$ 250.00
<u>Less payments</u>	= \$ 250.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent Prudential is solely liable for:

<u>Member Fees</u>	= \$ 4,450.00
<u>Forum Fees</u>	= \$10,000.00
<u>Total Fees</u>	= \$14,450.00
<u>Less payments</u>	= \$ 4,200.00
<u>Balance Due NASD Dispute Resolution</u>	= \$10,250.00

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

**ARBITRATION PANEL**

<i>Michael Lukasievich, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Irving Wolinsky, DDS</i>	-	<i>Public Arbitrator</i>
<i>Dione E. Houchins</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

/s/  
Michael Lukasievich, Esq.  
Public Arbitrator, Presiding Chairperson

February 22, 2006  
Signature Date

/s/  
Irving Wolinsky, DDS  
Public Arbitrator

February 22, 2006  
Signature Date

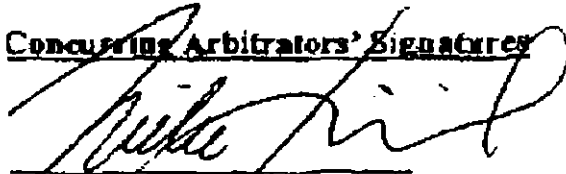
/s/  
Dione E. Houchins  
Non-Public Arbitrator

February 22, 2006  
Signature Date

February 23, 2006  
Date of Service (For NASD Dispute Resolution office use only)

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Michael Lukasievich, Esq.  
Public Arbitrator, Presiding Chairperson

2/22/06

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Signature Date

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Irving Wolinsky, DDS  
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