

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Prudential Equity Group, LLC f/k/a Prudential Securities Incorporated
("Claimant") v. Bernard Katz ("Respondent")

Case Number: 05-04810

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Claimant Prudential Equity Group, LLC f/k/a Prudential Securities Incorporated hereinafter referred to as "Claimant": David W. Schmidt, Esq., Lubiner & Schmidt, Cranford, NJ.

Respondent Bernard Katz hereinafter referred to as "Respondent" appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: September 13, 2005.
Claimant signed the Uniform Submission Agreement.

Statement of Answer filed by Respondent on or about: June 12, 2006.
Respondent did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: promissory note.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested the principal note balance plus accrued interest as of October 4, 2002 in the amount of \$143,589.35, plus accrued interest thereon at the annual rate of 5% from October 5, 2002 until full repayment, all costs of collection, including, but not limited to, all costs and fees of arbitration, including reasonable attorneys' fees, and any other relief the Arbitrators deem just and

proper.

Respondent requested that all claims be dismissed in their entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and having answered the claim and participated at the July 6, 2006 pre-hearing conference is bound by the determination of the Panel on all issues submitted.

Claimant requested that this case proceed solely on the papers. The Panel considered all submissions and oral arguments and, after due deliberation, the Panel determined to grant this request.

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 oral arguments at the July 6, 2006 pre-hearing conference, and Respondent having failed to comply with the directives of the Panel's July 6, 2006 Additional Pre-Hearing Scheduling Order, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$143,589.35 plus interest at the rate of 5% per annum from October 4, 2002 until the award is paid in full.
2. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$9,461.00. The Panel awarded attorneys' fees pursuant to the terms of the promissory note.
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 will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$1,000.00

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 event giving rise to the dispute. Accordingly, Prudential Equity Group, LLC f/k/a Prudential Securities Incorporated 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:

Two (2) Pre-hearing sessions with Panel @ \$1,125.00/session = \$2,250.00

Pre-hearing conferences: January 27, 2006 1 session

July 6, 2006 1 session

Total Forum Fees = \$2,250.00

1. The Panel has assessed \$2,250.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee = \$ 1,000.00

Member Fees = \$ 5,200.00

Total Fees = \$ 6,200.00

Less payments = \$ 7,325.00

Refund Due Claimant = \$ 1,125.00

2. Respondent is solely liable for:

Forum Fees = \$ 2,250.00

Total Fees = \$ 2,250.00

Less payments = \$ 0.00

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Balance Due NASD Dispute Resolution

= \$ 2,250.00

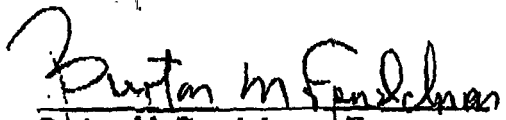
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Burton M. Fendelman, Esq.	- Non-Public Arbitrator, Presiding Chair
Virginia Kali Sourlis, Esq.	- Non-Public Arbitrator
Randolph Guggenheimer, Jr., Esq.	- 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 in which is my award.


Burton M. Fendelman, Esq.
Non-Public Arbitrator, Presiding Chair

09/11/06
Signature Date

Virginia Kali Sourlis, Esq.
Non-Public Arbitrator

Signature Date

Randolph Guggenheimer, Jr., Esq.
Non-Public Arbitrator

Signature Date

September 12, 2006

Date of Service (For NASD Dispute Resolution use only)

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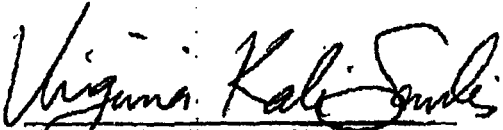
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Signature Date



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Randolph Guggenheimer, Jr., Esq.
Non-Public Arbitrator

9/6/06

Signature Date

September 12, 2006

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