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

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In the Matter of the Arbitration Between:

Name of the Claimant  
Joseph Palasek, individually and  
On behalf of his IRA

Case Number: 06-01968

Name of the Respondent  
Prudential Equity Group, LLC f/k/a  
Prudential Securities, Inc.

Hearing Site: Boca Raton, Florida

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Nature of the Dispute: Customer v. Member.

**REPRESENTATION OF PARTIES**

For Joseph Palasek, individually and on behalf of his IRA, hereinafter referred to as "Claimant": D. Daxton White, Esq., Dickenson, Murphy, Rex and Sloan, Boca Raton, Florida.

For Prudential Equity Group, LLC, f/k/a Prudential Securities, Inc., hereinafter referred to as "Respondent": Brian D. Elias, Esq., Fowler White Burnett, P.A. Miami, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: April 18, 2006.

Claimant signed the Uniform Submission Agreement on: March 31, 2006.

Statement of Answer filed by Respondent on or about: June 21, 2006.

Respondent signed the Uniform Submission Agreement on: May 24, 2006.

Respondent's Motion to Dismiss on the Basis that All Applicable Statutes of Limitations Have Expired filed on or about: September 14, 2006.

Claimant's Response to Respondent's Motion to Dismiss filed on or about: November 14, 2006.

**CASE SUMMARY**

Claimant asserted the following causes of action: 1) common law fraud; 2) breach of fiduciary duty; 3) violation of the Florida Securities and Investor Protector Act; 4) negligent failure to supervise; and; 5) negligence. The causes of action relate to investments in, including but not limited to, the Campbell account and the TCW account.

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

**RELIEF REQUESTED**

Claimant requested: 1) compensatory damages in the amount of \$250,000.00; 2) interest; 3)

costs; and 4) other relief as deemed just.

Respondent did not delineate any relief requests in its Answer.

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

On or about November 14, 2006, the Panel granted Respondent's Motion to Dismiss on the Basis that All Applicable Statutes of Limitations Have Expired.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings and oral argument of the parties on the Motion to Dismiss heard on November 14, 2006, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent's Motion to Dismiss is granted. All claims, including the Florida Securities and Investor Protection Act, in the Statement of Claim are dismissed, with prejudice.

Any and all claims for relief are dismissed, with prejudice.

### **FEES**

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

#### **Filing Fees**

NASD Dispute Resolution 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 at the time of the event(s) giving rise to the dispute. Accordingly, Respondent is a member firm and a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
Total Member Fees	= \$5,200.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during the proceedings.

#### **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 the 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 arbitrator(s), including a pre-hearing conference with the arbitrator(s) that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel @ \$1,125.00/session	= \$2,250.00
Pre-hearing sessions: September 7, 2006	1 session
November 14, 2006	1 session
<hr/> Total Forum Fees	<hr/> = \$2,250.00

The Panel has assessed \$1,125.00 of the forum fees to Respondent.

The Panel has assessed \$1,125.00 of the forum fees to Claimant.

### **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:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$1,125.00
<hr/> Total Fees	<hr/> = \$1,425.00
Less payments	= \$1,425.00
<hr/> Balance Due NASD Dispute Resolution	<hr/> = \$ 0.00

Respondent is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$1,125.00
<hr/> Total Fees	<hr/> = \$6,325.00
Less payments	= \$5,200.00
<hr/> Balance Due NASD Dispute Resolution	<hr/> = \$1,125.00

pursuant to Rule 10330(g) of the Code.

## ARBITRATION PANEL

John Uustal

### Non-Public Arbitrator

### Concurring Arbitrators' Signatures

Public Arbitrator, Presiding Chairperson

Signature Date

Public Arbitrator

Signature Date

### Non-Public Arbitrator

Signature Date

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

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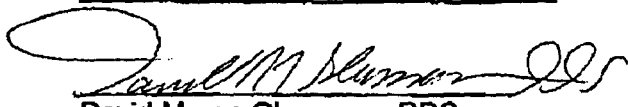
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

David Maron Glassman, DDS  
Burton Katz, Esq.  
John Uustal

Public Arbitrator, Presiding Chairperson  
Public Arbitrator  
Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
David Maron Glassman, DDS  
Public Arbitrator, Presiding Chairperson

11/16/06  
Signature Date

\_\_\_\_\_  
Burton Katz, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
John Uustal  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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

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**ARBITRATION PANEL**

David Maron Glassman, DDS  
Burton Katz, Esq.  
John Uustal

Public Arbitrator, Presiding Chairperson  
Public Arbitrator  
Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
David Maron Glassman, DDS  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

  
\_\_\_\_\_  
Burton Katz, Esq.  
Public Arbitrator

Nov. 16, 2006  
Signature Date

\_\_\_\_\_  
John Uustal  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
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**ARBITRATION PANEL**

David Iaron Glassman, DDS  
Burton Katz, Esq.  
John Lustal

Public Arbitrator, Presiding Chairperson  
Public Arbitrator  
Non-Public Arbitrator

**Concluding Arbitrators' Signatures**

David Iaron Glassman, DDS  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

Burton Katz, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
John Lustal  
Non-Public Arbitrator

11/17/06  
Signature Date

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