

N.A.S.D. STIPULATED AWARD
NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Prudential Securities Inc

94-00020

Name of Respondent(s)

Donald Spongberg

REPRESENTATION

Claimant Prudential Securities Incorporated ("Prudential"), was represented by Denis J. McCarthy, Esq., of Prudential Securities Incorporated.

Respondent Donald Spongberg was represented by Frank A. Lightmas, Jr., Esq. of Lightmas and Delk, Atlanta, GA.

CASE SUMMARY

This matter was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Incorporated ("NASD") on or about December 27, 1993. Claimant alleged Respondent was liable for monies owed pursuant to a Promissory Note executed by Respondent upon becoming employed at Prudential Securities, Inc. and which became due and owing upon termination of his employment.

Respondent filed an Answer and Counterclaim on or about March 2, 1994 wherein he denied liability under the promissory note and asserted a claim alleging damages for breach of contract, breach of the duty of good faith, Georgia common law fraud and statutory fraud.

The Claimant filed a Response and Answer to the Answer and Counterclaim on or about April 25, 1994 in which it denied any liability under the claims contained in the counterclaim.

RELIEF REQUESTED

Claimant requested damages in the amount of \$56,891.00 plus interest at the rate of 8% per annum from September 23, 1992, costs and attorneys' fees.

Respondent requested unspecified damages including actual damages, pre-award and post-award interest, punitive damages, attorneys' fees and costs.

AWARD

This matter came before the undersigned arbitrators upon stipulation of the parties to the controversy as set forth in a submission to arbitration signed by William H. Freilich on behalf of Claimant, Prudential Securities, Inc., on December 27, 1993 and Donald Spongberg on or about March 1, 1994.

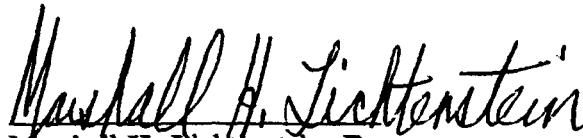
The arbitration panel, without making any findings of fact or conclusions of law, and having reviewed the attached Stipulation for Entry of Arbitration Award, hereby enters the following award:

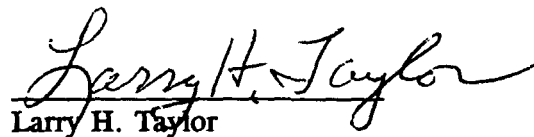
1. The undersigned Panel hereby consents to the attached Stipulation for Entry of Arbitration Award; signed by both counsel for Claimant and counsel for Respondent.
2. Pursuant to the Stipulation for Entry of Arbitration Award, the Respondent must pay Claimant a total sum of \$25,000.00, payment of which is to be made in accordance with the terms negotiated by the parties.

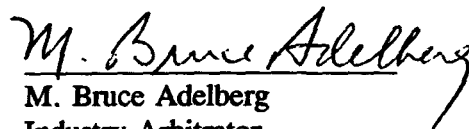
FORUM FEES

1. Pursuant to Section 43(f) of the NASD Code of Arbitration Procedure, the NASD shall retain the non-refundable claim filing fee in the amount of \$500.00 and the hearing session deposit in the amount of \$600.00, previously deposited by Claimant, Prudential Securities, Incorporated.
2. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorneys' fees.

ARBITRATORS' SIGNATURE


Marshall H. Lichtenstein, Esq.
Industry Arbitrator


Larry H. Taylor
Industry Arbitrator


M. Bruce Adelberg
Industry Arbitrator

Date of Decision: October 28, 1994