

NASD REGULATION, INC. STIPULATED AWARD

In the Matter of the Arbitration Between

Name of Claimant

Kenneth M. Longo

95-05432

Name of Respondent

Prudential Securities Inc

REPRESENTATION

Claimant Kenneth Longo appeared pro se.

For Respondent, Prudential Securities, Inc., appeared Kenneth Gerver, Esq., in-house counsel.

CASE INFORMATION

Statement of Claim filed: November 14, 1995.

Claimant's Submission Agreement signed on: November 8, 1995

Statement of Answer filed by Respondent, Prudential Securities, Inc. on: March 14, 1997.

Respondent's Submission Agreement signed on: May 16, 1997.

HEARING INFORMATION

Hearing Date/Session: May 16, 1997 - 1 Session

The hearing was conducted at the offices of NASD Regulation, Inc. located in New York, NY

CASE SUMMARY

Claimant objected to the Form U-5 amendment filed by Respondent in September, 1995. The amendment reported an over-concentration of limited partnership investments, specifically Equitec Real Estate Limited Partnerships, in one of Claimant's client accounts.

Claimant sought expungement of the amended filing from his record.

Respondent maintained that the amended Form U-5 was filed as a result of a claim filed by one of Claimant's clients in connection with Respondent's settlement with the Securities and Exchange Commission regarding limited partnership offerings.

Respondent further maintained that the filing of the amended U-5 was proper based on the information provided by Claimant's client.

RELIEF REQUESTED

Claimant requested reversal of the amended Form U-5 filing.

Respondent requested that the arbitration be dismissed and Claimant's claims be dismissed in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed to a stipulated Award in this matter which may be executed in counterpart copies (a copy of which is annexed hereto). The parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

At the hearing on May 16, 1997, the parties to this action settled the claims against Respondent Prudential Securities Inc. The parties agreed to submit a stipulation agreement which they requested the panel of arbitrators to incorporate in a stipulated award. Accordingly, the Settlement Agreement is hereby annexed and made part of this Stipulated Award.

FORUM FEES

Pursuant to Rule 10205(c)/Rule 10332(c) of the Code of Arbitration Procedure, the arbitrators have assessed the following forum fees:

1 hearing session x \$600.00 = \$600.00

1. Claimant be and hereby is liable for and shall pay the sum of \$300.00, representing one-half of the total amount of forum fees assessed.
2. Respondent be and hereby is liable for and shall pay the sum of \$300.00, representing one-half of the total amount of forum fees assessed.
3. Respondent be and hereby is liable and shall pay the sum of \$350.00 for the Member Surcharge. Respondent has not submitted the sum of \$350.00 and, therefore, owes the Member Surcharge.

Fees are payable to the NASD Regulation, Inc.

Arbitrators' Signatures

Marilyn J. Salzman

Marilyn J. Salzman, Esq.
Chairperson-Public Arbitrator

Kenneth Felder
Public Arbitrator

Charles L. Henderson, Esq.
Industry Arbitrator

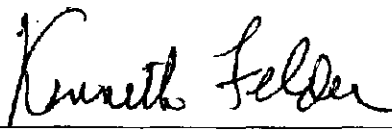
Date of Decision: July 22, 1997

I, Marilyn J. Salzman, 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 which is my award.

Marilyn J. Salzman

Arbitrators' Signatures

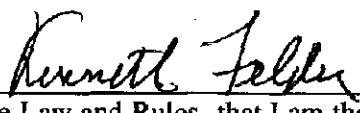
Marilyn J. Salzman, Esq.
Chairperson-Public Arbitrator



Kenneth Felder
Public Arbitrator

Charles L. Henderson, Esq.
Industry Arbitrator

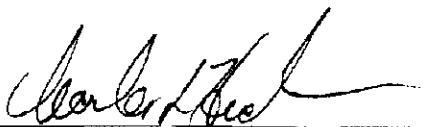
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Arbitrators' Signatures

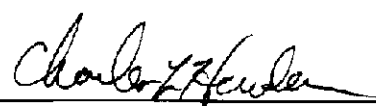
Marilyn J. Salzman, Esq.
Chairperson-Public Arbitrator

Kenneth Felder
Public Arbitrator



Charles L. Henderson, Esq.
Industry Arbitrator

Date of Decision: July 22, 1997

I, , 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 which is my award.

SETTLEMENT AGREEMENT

WHEREAS, Prudential Securities Incorporated ("PSI") had filed a U-5 and a DRP-5, both dated September 6, 1995 (the "Filings") relating to a claim made by Mario Costa; and

WHEREAS, Kenneth M. Longo ("Longo") was the broker of record for Mr. Costa, upon whose CRD the Filings appear; and

WHEREAS, Longo desires that the Filings be expunged from his CRD; and

WHEREAS, PSI has no objection to the Filings being expunged from Longo's CRD but does not have the power to arrange for the Filings to be expunged; and

WHEREAS, Longo has filed an arbitration (No. 95-05432) before the National Association of Securities Dealers (the "NASD") seeking to have the Filings expunged; and

WHEREAS, the parties understand that the NASD is willing to expunge the Filings upon an order of a panel of arbitrators; and

WHEREAS the parties desire to resolve the pending arbitration between them amicably;

NOW THEREFORE, PSI and Longo have agreed as follows:

- (1) That the Filings be expunged from Longo's CRD by the NASD upon the action of the panel assigned to arbitrate Case No. 95-05432 (the "Panel"), who will "So Order" this Settlement Agreement; and**
- (2) That Longo shall deliver to PSI a release in the form attached hereto as Exhibit A;**

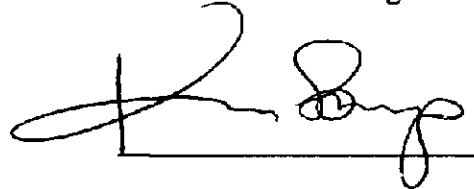
(3) That counsel for PSI shall hold said release in escrow pending receipt of a copy of this Settlement Agreement, which has been "So Ordered" by the Panel.

Dated this 16 day of May, 1997.

Prudential Securities Incorporated

Kenneth M. Longo

By: Kenneth W. Gerver
Kenneth W. Gerver



SO ORDERED:

Marilyn J. Salzman
Marilyn J. Salzman, Esq.

Kenneth M. Felder
Kenneth M. Felder

Charles L. Henderson
Charles L. Henderson, Esq.

Dated: May 16, 1997

GENERAL RELEASE

For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, Kenneth M. Longo as Releasor hereby releases and discharges Prudential Securities Incorporated, as Releasee, and its servants, directors, officers, attorneys, agents, employees, whether now employed or previously employed, as well as subsidiaries, affiliates, successors and assigns, from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgements, extents, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Releasee, the Releasor, Releasor heirs, executors, administrators, successors and assigns ever had, now have, or hereafter can, shall or may have for, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the date of this RELEASE, including but not limited to any and all claims concerning Releasee's filing with the NASD a U-5 and a DRP-5, both dated September 6, 1995.

It is expressly agreed and understood that payment and acceptance of the consideration herein before recited is in full, final and complete compromise, settlement and satisfaction of claims asserted by Releasor against Releasee which are expressly contested, disputed and denied and that the same does not constitute, and shall not be construed as, an admission of any liability or fault whatsoever on the part of Releasee.

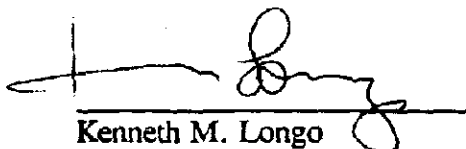
EXHIBIT A

Except as required by law or any regulatory authority, Releasors agree not to divulge or discuss or permit their counsel or anyone in privity with counsel to divulge or discuss, either directly or indirectly, the fact of the occurrence of this settlement and/or the amount or terms of this settlement and/or any of the facts or circumstances underlying this settlement.

This RELEASE may not be changed orally and shall be governed by, construed and interpreted under the laws of the State of New York.

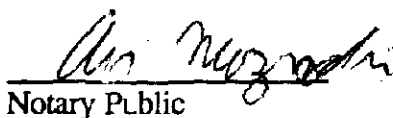
IN WITNESS WHEREOF, the undersigned have executed this RELEASE as of the date hereinafter appearing.

DATE: 5/16/97


Kenneth M. Longo

Sworn to before me on this

16 day of May, 1997


Notary Public

AVI MARK MIZRACHI
NOTARY PUBLIC, State of New York
No. 02M15052860
Qualified in Queens County
Commission Expires December 4, 1997