

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Joseph C. Paul

vs.

Case No. 99-00125

Name of Respondent

Prudential Securities, Inc.

REPRESENTATION OF PARTIES

Claimant Joseph C. Paul ("Claimant") was represented by John E. MacDonald, Esq. of the law firm Stark & Stark, P.C., Lawrenceville, NJ.

Respondent Prudential Securities Incorporated ("Respondent") was represented by G. Thompson Bell, III, Esq. of the law firm Stevens & Lee, P.C., Reading, PA.

CASE INFORMATION

Statement of claim filed on January 7, 1999

Claimant signed his Uniform Submission Agreement on December 7, 1998

Statement of Answer filed by Respondent on May 7, 1999

CASE SUMMARY

Claimant alleges that he entered into an employment agreement with Respondent for a fixed period of time, and that Respondent breached it's agreement, causing Claimant to suffer damages. In addition, Claimant alleges that after he filed this NASD matter, Respondent retaliated against him by filing an Amended U-4 Form relating to a non-reportable, previously settled matter. Moreover, Claimant alleges that Respondent attempted to "cover-up" its retaliatory actions by altering documents in an attempt to show that the U-4 amendment occurred on the same day that the arbitration was filed with the NASD

Respondent denied the allegations made in the Statement of Claim and asserted the following affirmative defenses: Claimant failed to state a claim upon which relief may be granted under applicable law; Claimant's claims are barred, in whole or in part, by the applicable statutes of limitations; Claimant's claims are barred, in whole or in part, by the doctrines of absolute and or qualified immunity; Claimant's claims fail because the information contained on Claimant's amended U-5 is true; Claimant's claims are barred by the doctrine of

justification; Claimant's claims are barred, in whole or in part, because Claimant was an employee at-will; Claimant's claims are barred, in whole or in part, by the statute of frauds; Claimant's claims are barred, in whole or in part, by the doctrines of estoppel and/ waived.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 242,812
Punitive Damages	unspecified
Attorneys' Fees	unspecified

Respondent requested that Claimant's claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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.

Upon review of the file and the representations made by the Claimant, the undersigned arbitrator determined that respondent has been properly served with the Statement of Claim and received due notice of the hearing, and the arbitration of the matter would proceed without respondent present, in accordance with the NASD Code of Arbitration Procedure ("Code").

Respondent did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Code and is bound by the determination of the Arbitrator on all issues submitted.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondent is liable to Claimant and shall pay to Claimant the sum of \$210,000; no prejudgment interest is assessed on this amount, and
2. That Respondent is liable to Claimant's in the sum of \$19,745.50 for attorney's fees, and
3. That Claimant's claim for punitive damages is denied, and

4. That any and all claims not addressed herein are denied in their entirety.

FEEs

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$500

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. In this matter, the member firm is a party.

Member surcharge = \$1,500

Pre-hearing process fee = \$ 600

Hearing process fee = \$2,500

Adjournment Fees

Adjournments requested during these proceedings:

Parties mutually requested postponement for hearings scheduled to begin on December 30, 1999.

December 30, 1999 adjournment fee by Claimant = \$375.

December 30, 1999 adjournment fee by Respondent = \$375

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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:

1 Pre-hearing session with Panel x \$750 = \$750

Pre-hearing conference: September 23, 1999 1 session

1 Pre-hearing discovery conference with single arbitrator x \$300 = \$300

Pre-hearing discovery conference: December 30, 1999 1 session

4 Hearing Sessions x \$750 = \$3,000

Hearing Dates: March 23, 2000 2 sessions

March 24, 2000 2 sessions

— Total Forum Fees = \$4,050

The Panel has assessed \$4,050 of the forum fees to Respondent.

Fee Summary


Claimant is solely liable for:

Initial Filing Fee:	= \$ 500
<u>Adjournment Fee</u>	= \$ 375
Total Fees:	= \$ 875
<u>Less Payments:</u>	= \$ 1,250
Refund Due to Claimant:	= \$ 375

Respondent is solely liable for:

Member Fees	= \$4,600
Adjournment Fee	= \$ 375
<u>Forum Fees</u>	= \$4,050
Total Fees	= \$9,025
<u>Less Payments</u>	= \$4,600
Balance Due NASD Regulation, Inc.	= \$4,425

Concurring Arbitrators' Signature(s)


James O'Donnell
Public Arbitrator, Chairperson

6/4/00
Date Award Signed

Richard Pascoe
Non-Public Arbitrator, Panelist

Date Award Signed

Abraham Bunis
Public Arbitrator, Panelist


Date Award Signed

June 12, 2000
Date Award Served by NASD Regulation, Inc.

Concurring Arbitrators' Signature(s)

James O'Donnell
Public Arbitrator, Chairperson

Date Award Signed


Richard Pascoe
Non-Public Arbitrator, Panelist

6-5-2000
Date Award Signed

Abraham Bunis
Public Arbitrator, Panelist

Date Award Signed

June 12, 2000
Date Award Served by NASD Regulation, Inc.

Concurring Arbitrators' Signature(s)

James O'Donnell
Public Arbitrator, Chairperson

Date Award Signed

Richard Pascoe
Non-Public Arbitrator, Panelist

Date Award Signed



Abraham Bunis
Public Arbitrator, Panelist

6/3/00
Date Award Signed

June 12, 2000

Date Award Served by NASD Regulation, Inc.

NASD Dispute Resolution, Inc.
Arbitration No. 99-05125
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Fee Summary

Claimants, Cesar and Leonor Maderazo, shall be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 0.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$1,425.00
Balance to be refunded by NASD Dispute Resolution, Inc.	= \$1,125.00

Respondent, Piper Jaffray, Inc. n/k/a U.S. Bancorp Piper Jaffray, Inc., shall be and hereby is liable for:

Member Fees	= \$4,600.00
<u>Forum Fees</u>	= \$ 0.00
Total Fees	= \$4,600.00
<u>Less payments</u>	= \$7,700.00
Balance applied to fees below	= \$3,100.00

Respondents, Piper Jaffray, Inc. n/k/a U.S. Bancorp Piper Jaffray, Inc. and Vincent H. Rossi, shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$7,875.00
Total Fees	= \$7,875.00
<u>Less payments</u>	= \$3,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$4,775.00

All balances are due to NASD Dispute Resolution, Inc.

Dated:

Samuel L. McClaren, Esq.
Public Arbitrator, Presiding Chair

Brian A. Maris
Public Arbitrator



Stephen L. Przewlocki
Industry Arbitrator

10/2/00