

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Alex C. Philibert, II

NASD Case No. 99-01147

Hearing Location: Philadelphia, PA

Name of Respondents

Prudential Securities, Inc.
Harry C. Hannigan

REPRESENTATION OF PARTIES

Claimant Alex C. Philibert, II ("Claimant"): Debra G. Speyer, Esq., Attorney at Law, Philadelphia, Pennsylvania.

Respondents Prudential Securities, Inc. and Harry C. Hannigan ("Respondents"): Frank M. Weber, Esq., Prudential Securities, Inc., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 11, 1999.

Claimant signed the Uniform Submission Agreement: February 22, 1999.

Statement of Answer filed by Respondents on or about: May 18, 1999.

Respondents did not sign Uniform Submission Agreements.

Statement of Answer amended orally on: December 14, 1999.

CASE SUMMARY

Claimants asserted the following causes of action in relation to a transfer of shares in AT&T: negligence; that Claimant is entitled to these shares in AT&T as a third party beneficiary; conversion; unfair trade practice; conversion; and unfair trade practice.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: that the Statement of Claim fails to state a claim upon which relief may be granted; that Claimant proximately caused the alleged damage or that Claimant was contributorily negligent; that Claimant failed to exercise reasonable or ordinary care, and that Claimant's recovery should be barred or reduced by the percentage of Claimant's own negligence or fault; that no basis exists for any claim of attorneys' fees, punitive or treble damages; that the Statement of Claim is barred by the doctrine of unclean hands; that the Statement of Claim is barred by the doctrine of waiver and estoppel; and that Claimant failed to mitigate his alleged damages.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 100,000.00
Treble Damages	\$ 200,000.00
Interest	For an amount to be determined by the Panel.
Attorneys' Fees	For an amount to be determined by the Panel.
Other Costs	For an amount to be determined by the Panel.

Respondents requested dismissal of the Statement of Claim. Respondent Harry C. Hannigan also requested that his record with the Central Registration Depository ("CRD") be expunged of any reference to this matter.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with the NASD Regulation, Inc. Office of Dispute Resolution ("NASD") properly executed submissions to arbitration but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure ("Code"), and having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

The parties 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, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondent Prudential Securities, Inc. is liable to and shall pay to Claimant \$43,076.18 plus post-award interest at the legal rate in Pennsylvania, simple interest per annum, which shall begin to accrue upon receipt of this Award until this Award is paid in full;
2. That the Panel recommends the expungement of all reference to this arbitration from Respondent Harry C. Hannigan's registration record (CRD #857214) maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Harry C. Hannigan must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. That the parties are to bear their own costs and expenses, including attorney's fees, with the exception of forum fees as specified below; and
4. That any and all relief not specifically addressed herein is denied.

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 = \$ 200.00

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 events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 2,500.00

Adjournment Fees

Adjournments requested during these proceedings:

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Forum Fees and Assessments

The Panel assessed 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:

2	Pre-hearing sessions with Panel x \$750.00			= \$ 1,500.00
	Pre-hearing conferences:	October 4, 1999	1 session	
		December 1, 1999	1 session	
2	Hearing sessions x \$750.00			= \$ 1,500.00
	Hearing Dates:	December 7, 1999	2 sessions	
TOTAL FORUM FEES				= \$ 3,000.00

1. The Panel assessed \$375.00 of the forum fees to Claimant.
2. The Panel assessed \$2,625.00 of the forum fees to Respondent Prudential Securities, Inc.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 200.00
<u>Forum Fees</u>	= \$ 375.00
Total Fees	= \$ 575.00
<u>Less payments</u>	= \$ 950.00
Balance Due NASD Regulation, Inc.	= \$ 0.00
Refund Due Claimant	= \$ 375.00

Respondent Prudential Securities, Inc. is solely liable for:

Member Fees	= \$ 4,600.00
<u>Forum Fees</u>	= \$ 2,625.00
Total Fees	= \$ 7,225.00
<u>Less payments</u>	= \$ 5,950.00
Balance Due NASD Regulation, Inc.	= \$ 1,275.00

All balances are due and payable to NASD Regulation, Inc.

DATE AWARD SIGNED:

1/12/00

Concurring Arbitrators' Signatures



Francis P. Devine, III, Esq. - Chairperson
Public Arbitrator

Joseph P. Flanagan, Jr. - Panelist
Public Arbitrator

Arthur Kalbhenn - Panelist
Industry Arbitrator

Date Award served by NASD Regulation:

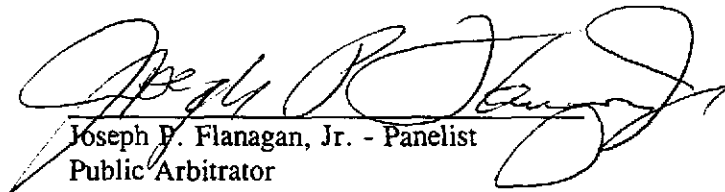
January 18, 2000

DATE AWARD SIGNED:

Concurring Arbitrators' Signatures

Francis P. Devine, III, Esq. - Chairperson
Public Arbitrator

Jan 10, 2000


Joseph P. Flanagan, Jr. - Panelist
Public Arbitrator

Arthur Kalbhenn - Panelist
Industry Arbitrator

Date Award served by NASD Regulation: January 18, 2000

DATE AWARD SIGNED:

Concurring Arbitrators' Signatures

Francis P. Devine, III, Esq. - Chairperson
Public Arbitrator

Joseph P. Flanagan, Jr. - Panelist
Public Arbitrator

1-13-00


Arthur Kalbhenn - Panelist
Industry Arbitrator

Date Award served by NASD Regulation: January 18, 2000