

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Allan Eisenkraft (Claimant) v. Prudential Equity Group, Inc. f/k/a Prudential Securities, Inc. (Respondent)

Case Number: 99-05286

Hearing Site: New York, New York

Nature of the Dispute: Customer v. Member.

REPRESENTATION OF PARTIES

Claimant Allan Eisenkraft ("Eisenkraft") hereinafter referred to as "Claimant": Howard M. Rosenfield, Esq., Farmington, CT.

Respondent Prudential Equity Group, Inc. f/k/a Prudential Securities, Inc. ("Prudential") hereinafter referred to as "Respondent": Christopher Freeze, Esq., Krebsbach & Snyder, P.C., New York, NY. Previously represented by: Martin Hunger, Esq., Prudential Equity Group, Inc., New York, NY.

CASE INFORMATION

Amended Statement of Claim filed on or about: January 30, 2000.

Claimant signed the Uniform Submission Agreement: May 28, 1999.

Motion to Dismiss, Motion to Sever, and Response to the Amended Statement of Claim filed by Respondent on or about: February 25, 2002.

Respondent signed the Uniform Submission Agreement: February 25, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; breach of fiduciary duty; negligence and gross negligence; negligent supervision; common law fraud; and violation of securities laws. Claimant's claim involved units of limited partnerships, including Prudential Bache/Prime Plus Realty Partners, Prudential Realty Acquisition Fund II, Public Storage Properties XV, and Equitec Securities Company.

Unless specifically admitted in its Motion to Dismiss, Motion to Sever, and Response to the Amended Statement of Claim, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$464,397.00 pursuant to the Miley v. Oppenheimer Well-Managed Account calculation along with "make whole award" attorneys' fees; pre- and post-award interest; punitive damages; costs, expenses, and disbursements, including reasonable attorneys' fees.

Respondent requested that this action be dismissed in its entirety; that Claimant take nothing by way of the Statement of Claim; costs; and such other and further relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

This claim was initially filed to include E.J. Stephens Inc. Employee Pension Plan & Trust, Joan Mortner, Dr. Sultan Mohiuddin, and Allan Eisenkraft as Claimants. On or about February 25, 2002, Respondent made a motion to dismiss on the grounds of eligibility and a motion to sever. On or about May 1, 2002, NASD Dispute Resolution notified the parties that the motion to sever was granted. Therefore, the only Claimant proceeding in this case is Allan Eisenkraft.

On or about March 21, 2003, The Panel denied Respondent's motion to dismiss.

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.

AWARD

After considering the pleadings, and 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. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$26,700.00, plus interest at the rate of 9% per annum from September 30, 2004 until the date of payment of the award.
2. Each party is to bear his own costs and fees.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$500.00

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. Accordingly, Prudential Equity Group, Inc. f/k/a Prudential Securities, Inc. is a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 17-19, 2003, joint adjournment request = Waived

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

Three (3) Pre-hearing sessions with Panel @ \$1,125.00 = \$3,375.00

Pre-hearing conferences: October 8, 2002 1 session
 March 1, 2004 1 session
 May 21, 2004 1 session

Two (2) Hearing sessions @ \$1,125.00 = \$2,250.00

Hearing Dates: August 3, 2004 2 sessions

Total Forum Fees = \$5,625.00

1. The Panel has assessed \$2,812.50 of the forum fees against Claimant.
2. The Panel has assessed \$2,812.50 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee = \$ 500.00
Forum Fees = \$2,812.50
Total Fees = \$3,312.50
Less payments = \$1,700.00
Balance Due NASD Dispute Resolution = \$1,612.50

2. Respondent is solely liable for:

Member Fees	= \$5,600.00
<u>Forum Fees</u>	<u>= \$2,812.50</u>
Total Fees	= \$8,412.50
<u>Less payments</u>	<u>= \$5,600.00</u>
Balance Due NASD Dispute Resolution	= \$2,812.50

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

ARBITRATION PANEL

James Newton Nash, Esq.	-	Public Arbitrator, Presiding Chairperson
Lynn Botwinik Almeleh, J.D.	-	Public Arbitrator
Gerald A. Guild	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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 is which is my award.

James Newton Nash, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Lynn Botwinik Almeleh, J.D.
Public Arbitrator

Signature Date

Gerald A. Guild
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL


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James Newton Nash, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Lynn Botwinik Almeleh, J.D.
Public Arbitrator

9-2-04

Signature Date

Gerald A. Guild
Non-Public Arbitrator

Signature Date

September 3, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

James Newton Nash, Esq.	-	Public Arbitrator, Presiding Chairperson
Lynn Botwinik Alneleh, J.D.	-	Public Arbitrator
Gerald A. Guild	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

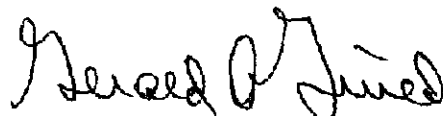
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James Newton Nash, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Lynn Botwinik Alneleh, J.D.
Public Arbitrator

Signature Date



Gerald A. Guild
Non-Public Arbitrator

8.31.04

Signature Date

September 3, 2004
Date of Service (For NASD Dispute Resolution use only)