Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants
Earl Weingarden TTEE,
Earl Weingarden Trust UA DTD 2/25/77
Shirley Weingarden TTEE,
Earl Weingarden Irrev. Trust UA DTD 12/14/00

Case Number: 03-04704

Name of the Respondent
Prudential Securities, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Earl Weingarden TTEE, Earl Weingarden Trust UA DTD 2/25/77 and Shirley Weingarden TTEE, Earl Weingarden Irrev. Trust UA DTD 12/14/00, hereinafter collectively referred to as "Claimants": Darren C. Blum, Esq. and Randall C. Place, Esq., Blum, Silver & Schwartz LLP, Coral Springs, Florida.

For Prudential Securities, Inc., hereinafter referred to as "Respondent": Richard L. Martens, Esq. and Jason S. Haselkorn, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 26, 2003.
Claimants signed the Uniform Submission Agreement: May 27, 2003.
Statement of Answer filed by Respondent on or about: October 17, 2003.
Respondent signed the Uniform Submission Agreement: November 6, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: 1) unsuitable advice; 2) violation of Florida Statutes, Chapter 517; 3) breach of fiduciary duty; 4) negligence and violation of industry rules; and, 5) breach of "duty to say no". The causes of action relate to the purchase and sale of various stocks, including, but not limited to, EMC Corp., Novellus Systems, Inc., BMC Software, Inc., QualComm, Inc., Compaq Computer Corp., ECI Telecom, Exelon Corp., Lucent Technologies, Novell Inc. and Quantum Corp., plus margin trading in Claimants' accounts.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of $95,000,000.00, reimbursement of margin interest in the amount of $11,000,000.00, punitive damages in the amount of $318,000,000.00, interest at the legal rate from the date of purchase, reasonable market return, rescission, attorney's fees (to be determined by a court of competent jurisdiction), costs, and such other relief as the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent requested that the Statement of Claim be dismissed in its entirety and an award of costs, expenses, attorney's fees and such further relief as the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

During the evidentiary hearing, Respondent made an ore tenus motion to dismiss the claim for unauthorized trading in the account of Shirley Weingarden TTEE, Earl Weingarden Irrev. Trust UA DTD 12/14/00 and Claimants made an ore tenus motion for summary judgment concerning the claim for unauthorized trading in the same account. The Panel denied both motions.

The parties have agreed that the Award in this matter may be entered in counterpart copies or that a signed handwritten Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable for negligent supervision and shall pay to Claimants compensatory damages in the sum of $1,720,685.00, prejudgment interest specifically excluded.

Respondent is liable and shall pay to Claimants costs and expert witness fees in the sum of $150,000.00.

The Panel found no violation of Florida Statutes, Chapter 517.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= $ 600.00

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, Respondent is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= $3,750.00
Pre-hearing process fee	= $ 750.00
Hearing process fee	= $5,500.00

Adjournment Fees

No requests for adjournments were filed in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No cancellation fees were assessed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

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:

One (1) Pre-hearing session with a single arbitrator @ $450.00			= $ 450.00
Pre-hearing conference:	October 18, 2004	1 session	
One (1) Pre-hearing session with the Panel @ $1,200.00			= $ 1,200.00
Pre-hearing conference:	January 13, 2004	1 session	
Twenty-four (24) Hearing sessions with the Panel @ $1,200.00			= $28,800.00
Hearing Dates:	November 1, 2004	2 sessions	
	November 2, 2004	2 sessions	
	November 3, 2004	2 sessions	
	November 4, 2004	3 sessions	
	November 5, 2004	2 sessions	
	November 8, 2004	2 sessions	
	November 9, 2004	2 sessions	
	November 10, 2004	2 sessions	
	November 11, 2004	1 session	
	April 8, 2005	2 sessions	

	April 9, 2005	2 sessions	
	April 11, 2005	2 sessions	
Total Forum Fees			= $30,450.00

The Panel has assessed the total forum fees of $30,450.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.
No administrative costs were incurred during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= $ 600.00
Total Fees	= $ 600.00
Less payments	= $ 600.00
Balance Due NASD Dispute Resolution	= $ 0.00

Respondent is solely liable for:

Member Fees	= $10,000.00
Forum Fees	= $30,450.00
Total Fees	= $40,450.00
Less payments	= $11,750.00
Balance Due NASD Dispute Resolution	= $28,700.00

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

ARBITRATION PANEL

George G. Kurschner, Esq.	-	*Public Arbitrator, Presiding Chairperson*
Arnold Kaplan	-	*Public Arbitrator*
David W. Newman	-	*Non-Public Arbitrator*

Concurring Arbitrators' Signatures

/s/
George G. Kurschner, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Arnold Kaplan
Public Arbitrator

Signature Date

/s/
David W. Newman
Non-Public Arbitrator

Signature Date

April 15, 2005
Date of Service (For NASD Dispute Resolution office use only)

	April 9, 2005	2 sessions
	April 11, 2005	2 sessions
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George G. Kurschner, Esq.
Public Arbitrator, Presiding Chairperson

4-15-05
Signature Date

Arnold Kaplan
Public Arbitrator

4/15/05
Signature Date

David W. Newman
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

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