

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

David Chow Trust, Claimant v. Darren Wald and Prudential Securities Inc., Respondents

Case Number: 01-02274

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

John B. Wallace, Esq.
Wallace & Madden
Los Angeles, California

For Respondents:

Charles B. LaChaussee, Esq.
Prudential Securities, Inc.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: May 1, 2001

Revised Statement of Claim filed: June 6, 2001

Claimant's Uniform Submission Agreement signed: July 17, 2001

Joint Statement of Answer filed by Respondents: October 10, 2001

Counterclaim filed by Respondent Prudential Securities Inc.: October 10, 2001

Respondent Prudential Securities Inc.'s Uniform Submission Agreement signed: undated

CASE SUMMARY

Claimant alleged breach of contract, fiduciary duty, negligence, failure to supervise, misrepresentations, non-disclosures, omission of facts, and unsuitability, involving securities in Organogenesis.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Revised Statement of Claim, and Prudential Securities Inc. filed a Counterclaim alleging unpaid margin debt.

RELIEF REQUESTED

Claimant requested \$67,591.98 in compensatory damages, \$432,408.02 in punitive damages, interest, and costs.

Respondents requested dismissal of the Claimant's Revised Statement of Claim in its entirety, and Respondent Prudential Securities Inc. requested \$30,779.74 in unpaid margin debt, interest, and costs including attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On July 18, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On July 15, 2003, Respondents Darren Wald and Prudential Securities Inc.'s counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

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, testimony, and the Parties' request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a confidential settlement agreement.
2. The claims of all parties are dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Darren Wald's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Darren Wald must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300.00
Respondent Prudential Securities Inc.'s Counterclaim filing fee	= \$ 1,000.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Prudential Securities Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 2,500.00
Total Member Fees	= \$ 4,600.00

Adjournment Fees

The following adjournment fees are assessed:

July 17 and 18, 2002 adjournment requested by Claimant	= \$ 1,125.00
--	---------------

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

1 Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: August 1, 2003 1 session	
1 Pre-hearing conference session with the Panel @ \$ 1,125.00/session	= \$ 1,125.00
Pre-hearing conference: February 18, 2003 1 session	
2 Hearing sessions @ \$ 1,125.00/session	= \$ 2,250.00
Hearing: August 5, 2003 2 sessions	
Total Forum Fees	= \$ 3,825.00

1. The Panel assessed \$ 1,912.50 of the forum fees to Claimant.
2. The Panel assessed \$ 1,912.50 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Respondents requested 161 photocopies @ \$0.50 each: = \$ 80.50

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$ 1,125.00
Forum Fees	= \$ 1,912.50
Total Fees	= \$ 3,337.50
<u>Less payments</u>	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 1,912.50

2. Respondent Prudential Securities Inc. is charged with the following fees and costs:

Counterclaim Filing Fee	= \$ 1,000.00
Member Fees	= \$ 4,600.00
Total Fees	= \$ 5,600.00
<u>Less payments</u>	= \$(5,600.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 1,912.50
Administrative Costs	= \$ 80.50
Total Fees	= \$ 1,993.00
<u>Less payments made by Prudential Securities Inc.</u>	= \$(1,450.00)
Balance Due NASD Dispute Resolution	= \$ 543.00

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

Parties' Signatures

David Chow Trust
Claimant

Signature Date

Darren Wald
Respondent

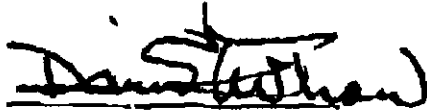
Signature Date

Prudential Securities Inc.
Respondent

Signature Date

NASD Dispute Resolution, Inc.
Arbitration No. 01-02274
Award Page 5 of 6

Parties' Signatures



David Chow Trust
Chairman

8/19/03
Signature Date

Darren Wald
Respondent

Signature Date

Prudential Securities Inc.
Respondent

Signature Date

Parties' Signatures

David Chow Trust
Claimant

Signature Date

Charles J. Chandler for Darren Wald

Darren Wald
Respondent

8-21-03

Signature Date

Charles J. Chandler for Prudential

Prudential Securities Inc.
Respondent

Equity Group f/k/a
Prudential
Securities Inc.

8-21-03

Signature Date

ARBITRATION PANEL

Morton R. Field, Esq.	-	Public Arbitrator, Presiding Chair
Ernest S. Gould, Esq.	-	Public Arbitrator
John C. Lees, Jr.	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

Morton R. Field
Chair, Public Arbitrator

Signature Date

Ernest S. Gould, Esq.
Public Arbitrator

Signature Date

John C. Lees, Jr.
Industry/Non-Public Arbitrator

Signature Date

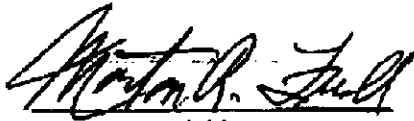
9/24/03

Date of Service

ARBITRATION PANEL

Morton R. Field, Esq.	-	Public Arbitrator, Presiding Chair
Ernest S. Gould, Esq.	-	Public Arbitrator
John C. Lees, Jr.	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)



Morton R. Field
Chair, Public Arbitrator

August 28, 2003
Signature Date

Ernest S. Gould, Esq.
Public Arbitrator

Signature Date

John C. Lees, Jr.
Industry/Non-Public Arbitrator

Signature Date

9/24/03

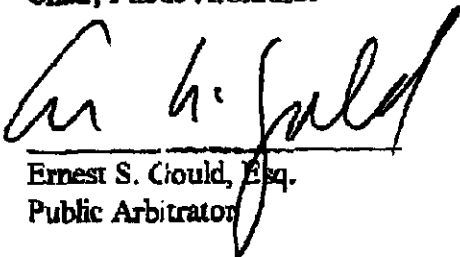
Date of Service

ARBITRATION PANEL

Morton R. Field, Esq.	-	Public Arbitrator, Presiding Chair
Ernest S. Gould, Esq.	-	Public Arbitrator
John C. Lees, Jr.	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

Morton R. Field
Chair, Public Arbitrator



Ernest S. Gould, Esq.
Public Arbitrator

Signature Date

8-22-03

Signature Date

John C. Lees, Jr.
Industry/Non-Public Arbitrator

Signature Date

9/24/03

Date of Service

ARBITRATION PANEL

Morton R. Field, Esq.	-	Public Arbitrator, Presiding Chair
Ernest S. Gould, Esq.	-	Public Arbitrator
John C. Lees, Jr.	-	Non-Public Arbitrator

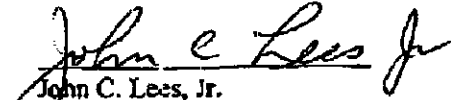
Concurring Arbitrators' Signature(s)

Morton R. Field
Chair, Public Arbitrator

Signature Date

Ernest S. Gould, Esq.
Public Arbitrator

Signature Date


John C. Lees, Jr.
Industry/Non-Public Arbitrator

8/22/03
Signature Date

9/24/03
Date of Service