

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Sandro Flores, Claimant v. Prudential Securities, Inc., Rodolfo Parente and John Debellis,
Respondents

Case Number: 01-02434

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For Sandro Flores, hereinafter referred to as "Claimant": Hugo L. Black, Esq., Law Offices of
Hugo L. Black, Jr., P.A., Miami, Florida.

For Prudential Securities, Inc. ("Prudential"), Rodolfo Parente ("Parente") and John Debellis
("Debellis"), hereinafter collectively referred to as "Respondents": Bradford D. Kaufman, Esq.,
Joseph C. Coates, III, Esq. and Marissa D. Kelley, Esq., Greenberg Traurig, P.A., West Palm
Beach, Florida.

CASE INFORMATION

Statement of Claim filed: May 4, 2001.

Claimant's Uniform Submission Agreement signed: May 2, 2001.

Statement of Answer and Affirmative Defenses to Statement of Claim filed by Respondents: July
11, 2001.

Respondent Parente's Uniform Submission Agreement signed: August 6, 2001.

Respondent Debellis' Uniform Submission Agreement signed: August 20, 2001.

Respondent Prudential's Uniform Submission Agreement signed: April 2, 2002.

Respondents' Dispositive Motion to Dismiss the Statement of Claim filed: February 22, 2002.

Claimant's Response in Opposition to Respondents' Dispositive Motion to Dismiss the
Statement of Claim filed: March 18, 2002.

Respondents' Reply in Support of Respondents' Dispositive Motion to Dismiss the Statement of
Claim filed: March 21, 2002.

Claimant's Sur-Reply to Respondents' Reply to Claimant's Response in Opposition to Respondents' Dispositive Motion to Dismiss the Statement of Claim filed: March 25, 2002.

Respondents' Memorandum in Support of Motion to Renew Dispositive Motion to Dismiss the Statement of Claim filed: April 10, 2002.

Claimant's Reply to Respondents' Memorandum in Support of Motion to Renew Dispositive Motion to Dismiss the Statement of Claim filed: April 30, 2002.

CASE SUMMARY

Claimant alleged the following causes of action: 1) libel and slander; and 2) unfair competition. The causes of action relate to Respondents' alleged defamation of Claimant on Claimant's Form U-5, and Respondent Prudential's alleged unfair competition with Claimant by falsifying a reason for Claimant's discharge which rendered Claimant unable to compete for the business he had developed while employed with Respondent Prudential.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and alleged certain affirmative defenses.

RELIEF REQUESTED

Claimant requested on his claims of libel and slander: 1) compensatory damages in the amount of \$18,500,000.00 against Respondents; 2) punitive damages in the amount of \$10,000,000.00 against Respondent Prudential; 3) punitive damages in the amount of \$500,000.00 against Respondent Parente; 4) punitive damages in the amount of \$1,000,000.00 against Respondent Debellis; 5) costs; 6) attorneys' fees; and 7) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Claimant requested on his claim of unfair competition: 1) compensatory damages in the amount of \$7,500,000.00 against Respondent Prudential; 2) punitive damages in the amount of \$15,000,000.00 against Respondent Prudential; 3) costs; 4) attorneys' fees; and 5) such other relief the Panel deemed just and proper.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On or about March 15, 2002, Respondents filed their Motion to Compel Section 10321(c) disclosure and Motion for Sanctions. Respondents requested the Panel to dismiss Claimant's claims, or alternatively to prohibit Claimant from calling any witnesses at the final hearing who were not previously identified in discovery, to prohibit Claimant from introducing any

documents which had not been produced, to restrict the use of the hearing dates to a hearing on Respondents' Dispositive Motion to Dismiss, and for such other relief the Panel deemed just and proper. The Panel denied the motions.

On or about March 19, 2002, Respondents filed their motion to strike any response from Claimant to Respondents' Dispositive Motion to Dismiss, for sanctions and for such other relief the Panel deemed just and proper. The Panel denied the motion.

At the evidentiary hearing, the Panel: 1) denied Claimant's Motion to Conform the Statement of Claim to the Evidence; 2) denied Respondents' Dispositive Motion to Dismiss the Statement of Claim; and 3) denied Respondents' Motion to Renew Dispositive Motion to Dismiss the Statement of Claim.

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

1. Claimant's claims are denied with prejudice in their entirety.
2. Claimant's requests for punitive damages are denied.
3. Respondent Prudential is liable and shall pay to Claimant the sum of \$600.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution, Inc.
4. Claimant's request for attorneys' fees is denied.
5. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Parente's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Parente must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
6. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Debellis' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to

NASD Notice to Members 99-09, Respondent Debellis' must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

7. All other relief requested and not expressly granted is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 600.00
--------------------------	-------------

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, Respondent Prudential, is a party and the following fees are assessed:

Member Surcharge	= \$3,600.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$5,000.00</u>
Total Member Fees	= \$9,200.00

Adjournment Fees

The following adjournment fees are assessed:

On or about February 4, 2002, Respondents requested an adjournment of the evidentiary hearing scheduled for April 1-3, 2002. Respondents requested the Panel to reschedule the evidentiary hearing to April 2-4, 2002. Claimant had no objection to Respondents' request for adjournment. The Panel adjourned the evidentiary hearing and waived the adjournment fee of \$1,200.00.

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:

(3) Pre-hearing conference sessions with a single arbitrator @ \$ 450.00/session	= \$ 1,350.00
Pre-hearing conferences:	
November 15, 2001	1 session
November 30, 2001	1 session
February 28, 2002	1 session

(3) Pre-hearing conference sessions with the Panel @ \$1,200.00/session = \$ 3,600.00

Pre-hearing conferences: October 1, 2001 1 session
 March 28, 2002 1 session
 April 9, 2002 1 session

(9) Hearing sessions @ \$1,200.00/session = \$10,800.00

Hearings: April 2, 2002 2 sessions
 April 3, 2002 2 sessions
 April 4, 2002 2 sessions
 May 6, 2002 2 sessions
 May 7, 2002 1 session

Total Forum Fees = **\$15,750.00**

The Panel assessed the total forum fees of \$15,750.00 to Respondent Prudential.

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 other requests.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 600.00
<u>Total Fees</u>	= \$ 600.00
<u>Less payments</u>	= \$ 600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent Prudential is charged with the following fees and costs:

Member Fees	= \$ 9,200.00
<u>Forum Fees</u>	= \$15,750.00
Total Fees	= \$24,950.00
<u>Less payments</u>	= \$ 9,200.00
Balance Due NASD Dispute Resolution, Inc.	= \$15,750.00

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

ARBITRATION PANEL

<i>Bonnie L. Roddenberry, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>William T. England, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Peter J. Lavezzoli</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Bonnie L. Roddenberry, Esq.
Chair, Public Arbitrator

Signature Date

/s/
 William T. England, Esq.
 Public Arbitrator

Signature Date

/s/

Peter J. Lavezzoli
Industry/Non-Public Arbitrator

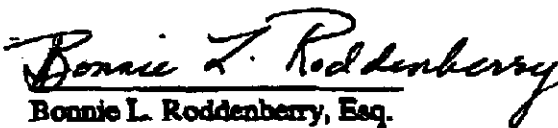
Signature Date

May 30, 2002
Date of Service

ARBITRATION PANEL

<i>Bonnie L. Roddenberry, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>William T. England, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Peter J. Lavezzoli</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


Bonnie L. Roddenberry, Esq.
Chair, Public Arbitrator

5-20-2002
Signature Date

William T. England, Esq.
Public Arbitrator

Signature Date

Peter J. Lavezzoli
Industry/Non-Public Arbitrator

Signature Date

Date of Service

ARBITRATION PANEL

Bonnie L. Roddenberry, Esq.

William T. England, Esq.

Peter J. Lavezzoli

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures

Bonnie L. Roddenberry, Esq.
Chair, Public Arbitrator


William T. England, Esq.
Public Arbitrator

Signature Date

05/20/02
Signature Date

Peter J. Lavezzoli
Industry/Non-Public Arbitrator

Signature Date

Date of Service

ARBITRATION PANEL

Bonnie L. Roddenberry, Esq.
William T. England, Esq.
Peter J. Lavezzoli

-
-
-

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Bonnie L. Roddenberry, Esq.
Chair, Public Arbitrator

Signature Date

William T. England, Esq.
Public Arbitrator

Signature Date


Peter J. Lavezzoli
Industry/Non-Public Arbitrator

Signature Date

Date of Service