
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Richard L. Rush

Case Number: 02-05355

Name of the Respondent
Prudential Securities, Inc.

Hearing Site: Boca Raton, FL

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Richard L. Rush, hereinafter referred to as "Claimant": Curtis Carlson, Esq., Carlson & Lewittes, P.A., Miami, Florida.

For Prudential Securities, Inc., hereinafter referred to as "Respondent": Richard L. Martens, Esq. and Patricia M. Christiansen, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connel, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: September 10, 2002.

Claimant signed the Uniform Submission Agreement: August 27, 2002.

Statement of Answer filed by Respondent on or about: November 27, 2002.

Respondent signed the Uniform Submission Agreement: October 23, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; unsuitability; and, breach of fiduciary duty. The causes of action relate to the Claimant's investment in WorldCom stock.

Unless specifically admitted in its Answer, 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 \$4,300,000.00, plus interest, an unspecified amount of punitive damages, and costs.

Respondent requested that all the claims be dismissed, and that Claimant be assessed the costs and expenses of maintaining the arbitration, including attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

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 (if any), the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

The Panel found that Claimant did not establish that he sustained monetary damage as a result of the conduct of Respondent.

Claimant's claims are denied in their entirety.

Respondent shall pay to Claimant \$600.00 representing reimbursement of the initial claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages and Respondent's request for attorneys' fees, 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 Prudential Securities, Inc. is a party and a member firm.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

December 15-18, 2003, adjournment requested by Claimant.	= \$1,200.00
--	--------------

The Panel has assessed the \$ 1,200.00 adjournment fee against Claimant.

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:

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: March 7, 2003 1 session	
Number (10) Hearing sessions with the Panel @ \$1,200.00/session	= \$12,000.00
Hearing Dates: July 12, 2005 2 sessions	
July 13, 2005 3 sessions	
July 14, 2005 3 sessions	
July 15, 2005 2 sessions	
Total Forum Fees	= \$ 13,200.00

The Panel has assessed \$13,200.00 of the forum fees 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.

There were no administrative costs assessed during these proceedings.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$1,200.00
Total Fees	= \$1,800.00
Less payments	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent is solely liable for:

Member Fees	= \$ 8,550.00
<u>Forum Fees</u>	<u>= \$13,200.00</u>
Total Fees	= \$21,750.00
<u>Less payments</u>	<u>= \$10,050.00</u>
Balance Due NASD Dispute Resolution	= \$11,700.00

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

ARBITRATION PANEL

James J. Kenny, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard J. Swibel, Esq.	-	Public Arbitrator
R. Peter Olin	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

07/20/05

Howard J. Swibel, Esq.
Public Arbitrator

Signature Date

/s/

07/20/05

R. Peter Olin
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

/s/

07/20/05

James J. Kenny, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

07/21/2005

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

...and Dispute Resolution

Arbitration No. 02-05355

Award Page 4 of 4

2. Respondent is solely liable for:

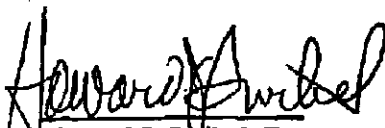
Member Fees	= \$ 8,550.00
Forum Fees	= \$13,200.00
Total Fees	= \$21,750.00
Less payments	= \$10,050.00
Balance Due NASD Dispute Resolution	= \$11,700.00

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

ARBITRATION PANEL

James J. Kenny, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard J. Swibel, Esq.	-	Public Arbitrator
R. Peter Olin	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Howard J. Swibel, Esq.
Public Arbitrator

7/20/05
Signature Date

R. Peter Olin
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

James J. Kenny, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

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

NASD Dispute Resolution
Arbitration No. 02-05355
Award Page 4 of 4

2. Respondent is solely liable for:

Member Fees	= \$ 8,550.00
Forum Fees	= \$13,200.00
Total Fees	= \$21,750.00
Less payments	= \$10,050.00
Balance Due NASD Dispute Resolution	= \$11,700.00

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

ARBITRATION PANEL

James J. Kenny, Esq.	- Public Arbitrator, Presiding Chairperson
Howard J. Swibel, Esq.	- Public Arbitrator
R. Peter Olin	- Non-Public Arbitrator

Concurring Arbitrators' Signatures

Howard J. Swibel, Esq.
Public Arbitrator

Signature Date



R. Peter Olin
Non-Public Arbitrator


Signature Date

Dissenting Arbitrator's Signature

James J. Kenny, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

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

Resolution

Arbitration No. 02-05355

Award Page 4 of 4

2. Respondent is solely liable for:

Member Fees	= \$ 8,550.00
Forum Fees	= \$13,200.00
Total Fees	= \$21,750.00
Less payments	= \$10,050.00
Balance Due NASD Dispute Resolution	= \$11,700.00

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

ARBITRATION PANEL

James J. Kenny, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard J. Swibel, Esq.	-	Public Arbitrator
R. Peter Olin	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

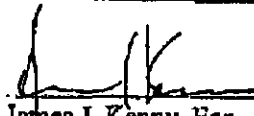
Howard J. Swibel, Esq.
Public Arbitrator

Signature Date

R. Peter Olin
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature


James J. Kenny, Esq.
Public Arbitrator, Presiding Chairperson

July 20, 2005
Signature Date

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