
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Alvin L. Starks

Case Number: 02-07246

Name of the Respondent
Prudential Securities Incorporated

Hearing Site: Orlando, Florida

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

For Alvin L. Starks, referred to as "Claimant": David A. Weintraub, Esq., David A. Weintraub, P.A., Fort Lauderdale, Florida.

For Prudential Securities Incorporated, referred to as "Respondent Prudential": Jordan D. Becker, Vice President and Assistant General Counsel with Respondent Prudential, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: November 27, 2002.

Claimant signed the Uniform Submission Agreement on: November 15, 2002.

Statement of Answer filed by Respondent Prudential on or about: February 19, 2003.

Respondent Prudential did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant alleged the following causes of action: 1) violation of federal securities laws, specifically Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 adopted thereunder; 2) breach of fiduciary duty; 3) failure to supervise/negligence; and 4) common law fraud that is inclusive of unsuitability. The causes of action relate to investments in Brazos Micro Cap Port II, Frankelin Biotech Discovery Fund A, Franklin Strategic US Long Short Fund A, Growth Fund of America C, Pioneer High Yield A and B, World Monitor Trust, EMC Corporation, Tyco, Williams Communications Group, Inc., and Net 2000 Communications.

Respondent Prudential denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in excess of \$178,000.00; 2) punitive damages; 3) interest; and 4) costs.

Respondent Prudential requested: 1) dismissal of the Statement of Claim in its entirety; 2) assessment of all forum costs against Claimant; 3) an award of costs and disbursements, including legal fees and charges; and 4) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Prudential did not file with NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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 Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Prudential is liable and shall pay to Claimant compensatory damages in the amount of \$148,414.00, plus interest at the Florida statutory rate from August 5, 2002 until the date of payment of the Award. Respondent Prudential is liable on the claim of common law fraud that includes unsuitability. Respondent Prudential is not liable on all other claims, including statutory claims.
2. Claimant's request for punitive damages is denied.
3. Respondent Prudential is liable and shall pay to Claimant expert witness costs in the amount of \$4,500.00.
4. Respondent Prudential is liable and shall reimburse Claimant \$300.00 representing the claim filing fee previously paid by Claimant to NASD Dispute Resolution.
5. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 300.00

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 is a member firm and a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

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 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 per session = \$ 450.00

Pre-hearing conference: October 27, 2003 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 per session = \$1,125.00

Pre-hearing conference: May 29, 2003 1 session

Five (5) Hearing sessions @ \$1,125.00 per session = \$5,625.00

Hearing Dates: December 16, 2003 2 sessions

December 17, 2003 2 sessions

December 18, 2003 1 session

Total Forum Fees = \$7,200.00

The Panel has assessed the total forum fees in the amount of \$7,200.00 to Respondent Prudential.

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 incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
<u>Total Fees</u>	= \$ 300.00
<u>Less payments</u>	= \$ 300.00
<u>Balance Due NASD</u>	= \$ 0.00

Respondent Prudential is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
<u>Forum Fees</u>	= \$ 7,200.00
<u>Total Fees</u>	= \$12,400.00
<u>Less payments</u>	= \$ 5,200.00
<u>Balance Due NASD</u>	= \$ 7,200.00

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

ARBITRATION PANEL

<i>Horace A. Andrews</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Robert J. Walter</i>	-	<i>Public Arbitrator</i>
<i>Stephen P. Savitt</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

_____/s/_____
Horace A. Andrews
Public Arbitrator, Presiding Chairperson

January 9, 2004
Signature Date

_____/s/_____
Robert J. Walter
Public Arbitrator

December 29, 2003
Signature Date

_____/s/_____
Stephen P. Savitt
Non-Public Arbitrator

December 29, 2003
Signature Date

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January 9, 2004

Date of Service (For NASD use only)

NASD Dispute Resolution

Arbitration No. 02-07246

Award Page 4**Administrative Costs**

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Public Arbitrator, Presiding Chairperson

Signature Date

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Public Arbitrator

Signature Date

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Non-Public Arbitrator

Signature Date

NASD Dispute Resolution
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Horace A. Andrews
Public Arbitrator, Presiding Chairperson



Robert J. Walter
Public Arbitrator

Signature Date

Dec 29, 2003

Signature Date

Stephen P. Savitt
Non-Public Arbitrator

Signature Date

NASD Dispute Resolution

Arbitration No. 02-07246

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Public Arbitrator, Presiding Chairperson

Signature Date

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Public Arbitrator

Signature Date

Stephen P. Savitt

Stephen P. Savitt
Non-Public Arbitrator

12/29/03

Signature Date