
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Gwen Y. Carden

Case Number: 03-02081

Name of the Respondent
Securities Research, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Gwen Y. Carden, hereinafter referred to as "Claimant": Richard H. Levenstein, Esq.,
Kramer, Sewell, Sopko & Levenstein, P.A., Stuart, Florida.

For Securities Research, Inc., hereinafter referred to as "Respondent": Layne Verebay, Esq.,
Layne Verebay, P.A., Fort Lauderdale, Florida.

CASE INFORMATION

Statement of Claim filed on or about: March 20, 2003.

Claimant signed the Uniform Submission Agreement: March 14, 2003.

Statement of Answer filed by Respondent on or about: May 20, 2003.

Respondent signed the Uniform Submission Agreement: April 14, 2003.

Motion to Reimburse Costs filed by Respondent on or about: June 1, 2005.

Response to Motion to Reimburse Costs filed by Claimant on or about: June 10, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: violation of Sections 517.301 and 517.211 of the Florida Statutes; fraud; negligence; breach of fiduciary duty; negligent supervision; and, respondeat superior. The causes of action relate to options trading and margin trading of unspecified securities in Claimant's account.

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

RELIEF REQUESTED

Claimant requested compensatory damages in an amount in excess of \$300,000.00, an unspecified amount of punitive damages, a determination that Claimant is entitled to attorney's fees pursuant to Chapter 517 of the Florida Statutes and any other relief deemed just and proper.

Respondent requested that the Panel find in its favor and make a determination that Respondent is entitled to an award of attorney's fees pursuant to Chapter 517 of the Florida Statutes.

Furthermore, as asserted in its Motion to Reimburse Costs, Respondent requested reimbursement of travel expenses in the amount of \$605.79 and expert witness fees in the amount of \$800.00, representing costs incurred as a result of the March 28, 2005 postponement.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the commencement of the evidentiary hearing on March 28, 2005, Claimant asserted an ore tenus request to continue the hearing. Respondent did not file an objection to the request but requested that Claimant be ordered to reimburse costs incurred by Respondent as a result of the postponement, including airline fares and hotel costs.

On or about March 28, 2005, the Panel issued an order granting Claimant's request for a continuance of the March 28 – 30, 2005 evidentiary hearing. Further, the Panel granted Respondent's request for reimbursement of costs associated with the continued hearing but directed Respondent to submit an affidavit of costs for review and final determination by the Panel.

During the evidentiary hearing on or about June 14, 2005, Respondent asserted an ore tenus request that the Panel enter an Order expunging this matter from the Central Registration Depository (the "CRD") records of non-party John Honan. Claimant did not file an objection to this request.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

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:

Claimant's claims are denied in their entirety.

Claimant shall pay to Respondent, the sum of \$605.79 representing reimbursement of travel expenses, including airfare and incidental costs incurred by Respondent as a result of the postponement of the March 28, 2005 evidentiary hearing.

Respondent's request for reimbursement of expert witness fees in the amount of \$800.00 is denied.

The Panel recommends the expungement of all references to the above captioned arbitration from non-party John Honan's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Any and all claims for relief not specifically addressed herein, including Claimant's request for

punitive damages and the parties' respective requests 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 = \$ 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. In this matter, the member firm Securities Research, Inc. is 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:

March 16-18, 2004, joint adjournment request = \$1,125.00

November 8-10, 2004, adjournment requested by Claimant = \$1,125.00

March 28 - 30, 2005, adjournment requested by Claimant = \$1,500.00

The Panel waived the total adjournment fee of \$3,750.00.

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:

March 28-30, 2005, adjournment requested on March 28, 2005 = \$300.00

The Panel has assessed \$300.00 of the three-day cancellation fees to Claimant.

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.

No injunctive relief fees were incurred in this matter.

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: December 15, 2003 1 session	
One (1) Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: October 13, 2003 1 session	
Four (4) Hearing sessions @ \$1,125.00	= \$ 4,500.00
Hearing Dates: June 14, 2005 2 sessions	
June 16, 2005 2 sessions	
Total Forum Fees	= \$6,075.00

The Panel has assessed \$3,037.50 of the forum fees to Claimant.
The Panel has assessed \$3,037.50 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 are 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 in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,037.50
Three-Day Cancellation Fees	= \$ 300.00
Total Fees	= \$ 3,637.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 2,212.50

Respondent is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 3,037.50
Total Fees	= \$ 8,237.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 3,037.50

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

ARBITRATION PANEL

Jose M. de la O, Esq.	-	Public Arbitrator, Presiding Chairperson
Carl Shechter, Esq.	-	Public Arbitrator
Adam B. Cohen, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

06/20/2005

Jose M. de la O, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/

06/21/2005

Carl Shechter, Esq.
Public Arbitrator

Signature Date

/s/

06/21/2005

Adam B. Cohen, Esq.
Non-Public Arbitrator

Signature Date

06/21/2005

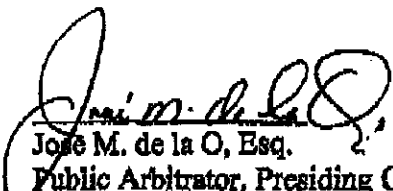
Date of Service (For NASD Dispute Resolution office use only)

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6/20/05
Signature Date

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