

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Charles Gunn
Jo Ann Gunn

Case Number: 03-04536

Names of the Respondents

Robert Morris Glasgow, III
Prudential Securities, Inc.

Hearing Site: Atlanta, Georgia

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Charles Gunn and Jo Ann Gunn, hereinafter collectively referred to as "Claimants":
Lange Clark, Esq., Birmingham, Alabama and Thomas L. Krebs, Esq., Haskell Slaughter
Young & Rediker, LLC, Birmingham, Alabama.

For Robert Morris Glasgow, III ("Glasgow") and Prudential Securities, Inc. ("Prudential"),
hereinafter collectively referred to as "Respondents": Geoffrey Potter, Esq., Kramer Levin
Naftalis & Frankel LLP, New York, New York.

CASE INFORMATION

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

Claimants signed the Uniform Submission Agreement: June 20, 2003.

Statement of Answer filed by Respondents on or about: February 8, 2004.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: fraud, misrepresentations, or omissions in connection with the purchase or sale of securities in violation of Sections 8-6-17 and 8-6-19 of the Alabama Securities Act; violation of Alabama Securities Act Section 8-6-19(a)(1); fraud under Alabama Code Section 6-5-100; common law fraud; unsuitability under the NASD rules and the Alabama Securities Act; unauthorized trading under the NASD rules and the Alabama Securities Act; breach of fiduciary duty; failure to supervise; negligence; and, wantonness. The causes of action relate to Claimants' investments in unspecified securities products in their accounts.

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

RELIEF REQUESTED

Claimants requested damages of approximately \$200,000.00, plus interest at the rate of 6% per annum from the date of the sale of the securities at issue, plus costs and reasonable attorneys' fees. Additionally, Claimants requested three times the amount of their actual damages, or approximately \$600,000.00, plus interest, in punitive damages.

Respondents requested that the claim be denied in its entirety, that Respondents be compensated for their costs and expenses incurred, and an expungement of all references to this arbitration from Respondent Glasgow's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed submissions to arbitration but are 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, are bound by the determination of the Panel on all issues submitted.

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

Claimants' claims are denied in their entirety.

Respondents' claim for expenses and costs is denied.

Each party shall bear its own costs and expenses.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages and Respondents' request for an expungement, are denied.

FEES

Pursuant to 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	= \$375.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the

member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$750.00
Hearing process fee	= \$4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments for which fees were assessed were granted in this matter.

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00	= \$2,400.00
Pre-hearing conferences:	
November 24, 2003	1 session
April 30, 2004	1 session
Six (6) Hearing sessions @ \$1,200.00	= \$7,200.00
Hearing Dates:	
May 18, 2004	2 sessions
May 19, 2004	2 sessions
May 20, 2004	2 sessions
<hr/> Total Forum Fees	<hr/> = \$9,600.00

The Panel has assessed \$4,800.00 of the forum fees to Claimants, jointly and severally.
The Panel has assessed \$4,800.00 of the forum fees 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 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

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$375.00
Forum Fees	= \$4,800.00

Total Fees	= \$5,175.00
Less payments	= \$1,575.00

Balance Due NASD Dispute Resolution	= \$3,600.00
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Respondent Prudential is solely liable for:

Member Fees	= \$7,000.00
Forum Fees	= \$4,800.00

Total Fees	= \$11,800.00
Less payments	= \$7,000.00

Balance Due NASD Dispute Resolution	= \$4,800.00
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Anne H. Orr, J.D.	-	Public Arbitrator, Presiding Chair
Carol A. Levine, Esq.	-	Public Arbitrator
Ralph Bornheim	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Anne H. Orr, J.D.
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Carol A. Levine, Esq.
Public Arbitrator

Signature Date

_____/S/_____
Ralph Bornheim
Non-Public Arbitrator

Signature Date

June 18, 2004
Date of Service (For NASD Dispute Resolution office use only)

No administrative costs were incurred in this matter.

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Ralph Bornheim	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Anne H. Orr
Anne H. Orr, J.D.
Public Arbitrator, Presiding Chair

6-08-04
Signature Date

Carol A. Levine, Esq.
Public Arbitrator

Signature Date

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Carol A. Levine, Esq.	-	Public Arbitrator
Ralph Bornheim	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Anne H. Orr, J.D.
Public Arbitrator, Presiding Chair

Carol A. Levine

Carol A. Levine, Esq.
Public Arbitrator

Signature Date

June 17, 2004
Signature Date

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NASD Dispute Resolution

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Ralph Bornheim
Non-Public Arbitrator

6/21/04

Signature Date

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