

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants
William and Wanda Davis

Case Number: 04-02957

Names of the Respondents
Howard P. Bernstein
Prudential Securities, Inc. n/k/a
Prudential Equity Group, LLC

Hearing Site: Pittsburgh, PA

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

REPRESENTATION OF PARTIES

Claimants, William and Wanda Davis, hereinafter collectively referred to as "Claimants", were represented by Robert M. Kramer, Attorney at Law, Pittsburgh, Pennsylvania.

Respondents, Howard P. Bernstein ("Bernstein") and Prudential Securities, Inc. n/k/a Prudential Equity Group, LLC ("Prudential"), hereinafter collectively referred to as "Respondents", were represented by Alan S. Brodherson, Attorney at Law, New York, New York.

CASE INFORMATION

Statement of Claim filed on April 21, 2004.

Claimants signed the Uniform Submission Agreement on April 5, 2004.

Statement of Answer filed by Respondents on August 18, 2004.

Respondent Bernstein signed the Uniform Submission Agreement on August 24, 2004.

A representative of Respondent Prudential signed the Uniform Submission Agreement on September 1, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: violations of the Securities Exchange Act of 1934; violation of the Pennsylvania Securities Act; violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law; fraud; negligence; breach of fiduciary duty; and breach of contract. The causes of action relate to the purchase of mutual funds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses among others: failure to state a claim upon which relief may be granted; ratification, waiver, and estoppel; assumption of the risk; authorization; failure to mitigate; and, statutes of limitation.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$139,344.00; simple interest in the amount of \$6,299.00 plus the amount of \$22.91 per day from and after January 1, 2004 to the date the award is rendered in this matter; attorney's fees; forum fees; and, expert witness fees.

Respondents requested an award dismissing the Statement of Claim; directing Claimants pay Respondents' costs and expenses including legal fees; and, such other and further relief as the Arbitrators deem just and proper.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are denied in their entirety.
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below.
3. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Bernstein's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Bernstein must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive. Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents. Pursuant to Rule 2130, the arbitration panel has made the following affirmative finding of fact: the claim, allegation, or information is false.
4. Any and all relief not specifically addressed herein is 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	= \$300.00
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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 that employed the associated person at the time of the events giving rise to the dispute.

Accordingly, Prudential 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:

June 14-16, 2005, requested by Respondent Bernstein = \$1,125.00

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 Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: November 22, 2004 1 session
April 15, 2005 1 session

Six (6) Hearing sessions @ \$1,125.00 = \$6,750.00

Hearing Dates: July 19, 2005 2 sessions
July 20, 2005 2 sessions
July 21, 2005 2 sessions

Total Forum Fees = \$9,000.00

1. The Panel has assessed \$3,000.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$3,000.00 of the forum fees to Respondent Prudential.
3. The Panel has assessed \$3,000.00 of the forum fees to Respondent Bernstein.

Fee Summary

1. Claimants are assessed jointly and severally and shall pay:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$3,000.00
Total Fees	= \$3,300.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$1,875.00

2. Respondent Bernstein is assessed and shall pay:

Adjournment Fee	= \$1,125.00
Forum Fees	= \$3,000.00
Total Fees	= \$4,125.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$4,125.00

3. Respondent Prudential is assessed and shall pay:

Member Fees	= \$5,200.00
Forum Fees	= \$3,000.00
Total Fees	= \$8,200.00
Less payments	= \$7,950.00
Balance Due NASD Dispute Resolution	= \$ 250.00

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

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ARBITRATION PANEL

Edward A. Grupp, Esq.	-	Public Arbitrator, Presiding Chairperson
Rebecca A. Bowman, Esq.	-	Public Arbitrator, Panelist
David J. Brennan	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Edward A. Grupp, Esq.
Public Arbitrator, Presiding Chairperson



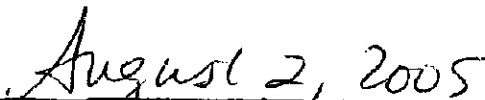
Signature Date

Rebecca A. Bowman, Esq.
Public Arbitrator, Panelist

Signature Date

David J. Brennan
Non-Public Arbitrator, Panelist

Signature Date



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

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ARBITRATION PANEL

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Rebecca A. Bowman, Esq.	-	Public Arbitrator, Panelist
David J. Brennan	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Edward A. Grupp, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Rebecca A. Bowman, Esq.
Public Arbitrator, Panelist

8-2-05
Signature Date

David J. Brennan
Non-Public Arbitrator, Panelist

Signature Date

August 2nd, 2005
Date of Service (For NASD Dispute Resolution office use only)

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Public Arbitrator, Presiding Chairperson

Signature Date

Rebecca A. Bowman, Esq.
Public Arbitrator, Panelist

Signature Date



David J. Brennan
Non-Public Arbitrator, Panelist

8/1/05
Signature Date

August 2, 2005
Date of Service (For NASD Dispute Resolution office use only)