

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimants

Salim Farida, Suhair Farida,
Lori Farida Living Trust, and Mary Yousif

and

Case Number: 04-04582
Hearing Site: Detroit, Michigan

Respondents

Prudential Equity Group, LLC,
Frank J. Albano, and
Sandy M. Farida

NATURE OF CASE

Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

Salim Farida, Suhair Farida, Lori Farida Living Trust, and Mary Yousif ("Claimants") were represented by Dean J. Groulx, Esq., Law Offices of Dean J. Groulx PC, Birmingham, Michigan.

Prudential Equity Group, LLC ("Prudential") and Frank J. Albano ("Albano") were represented by Jeffrey L. Squires, Esq., Garvey Schubert Barer, Washington, D.C.

Sandy M. Farida ("Farida") represented herself.

CASE INFORMATION

The Statement of Claim was filed on or about June 28, 2004. The Submission Agreement of Claimants was signed on or about June 14, 2004.

The Statement of Answer was filed by Prudential and Albano on or about September 27, 2004. The Submission Agreement of Prudential was signed on or about September 22, 2004. The Submission Agreement of Albano was signed on or about August 24, 2004.

The Statement of Answer was filed by Farida on or about December 2, 2004. The Submission Agreement of Farida was signed on or about November 22, 2004.

CASE SUMMARY

Claimants asserted that they had each maintained securities accounts with Prudential beginning in the fall of 1999 through the end of 2001; that Respondent Sandy Farida had managed each of their accounts; and that as a result of Sandy Farida's management of their accounts they had collectively lost \$2,060,305.50. Claimants enumerated four counts in their Statement of Claim: Count One asserted unsuitable trading and churning in violation of NASD and NYSE Rules and Section 10(b) of the Federal Securities Exchange Act of 1934; Count Two alleged failure to supervise against Prudential in violation of NASD and NYSE Rules; Count Three alleged fraud in violation of NASD Rules and Section 10(b) of the Securities Exchange Act; and Count Four alleged a breach of fiduciary duty. All allegations concerning improper trading were made against Respondent Sandy Farida; and the claim of failure to supervise was directed at Prudential. The only references to Mr. Albano anywhere in the body of the Statement of Claim were to identify him as the branch manager of the Prudential office where Claimants had maintained their accounts. There was no allegation of any action or omission by Mr. Albano in the Statement of Claim.

In their Answer, Respondents Prudential and Mr. Albano denied all claims asserted in the Statement of Claim. They asserted that Claimants themselves had been responsible for directing the trading in their accounts. The Answer noted that Mr. Albano – with 20 years experience in the securities industry and an unblemished regulatory record- was not alleged to have engaged in any improper sales activities and had no role or responsibility in connection with the opening of, or management of, Claimants' account. In recognition of the absence of any participation by him in the management of their accounts, Claimants agreed to withdraw their claims against Mr. Albano – without consideration and many months before the parties began to consider a settlement of Claimants' claims – as communicated by Claimants' counsel to Mr. Albano's counsel by letter dated January 31, 2005, a copy of which is attached hereto; and Claimants' then filed formal notice of their withdrawal of claims against him with the NASD on March 7, 2005.

Respondent Farida asserted that she did not act frivolously with regard to any of the accounts mentioned in the Statement of Claim.

RELIEF REQUESTED

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$2,060,305.50
Punitive Damages	Unspecified
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondent Albano also requested expungement or all references to this matter from his registration records maintained by NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Claimants' withdrew their claims against Respondent Albano on or about March 7, 2005.

In a Settlement Agreement and General Mutual Release made effective as of June 1, 2005, and executed by the parties later during that month the parties resolved all issues and mutually released and discharged one another from any further liabilities in connection with Claimants' accounts. Claimants agreed to dismiss all claims against all parties named as Respondents in the arbitration, with prejudice. Prudential agreed to release any claim it could have against Sandy Farida with respect to Claimants' accounts.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the parties' submissions and representations, but without making any conclusions of law, the undersigned arbitrators order as follows:

- 1.) Claimants' claims, having been withdrawn, are dismissed with prejudice;
- 2.) Respondent Prudential has agreed to pay to Claimants, collectively, the sum of one hundred fifty thousand dollars and no cents (\$150,000.00), which amount has been paid;
- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent Frank J. Albano's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Frank J. Albano must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
- 4.) 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;

- 5.) Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact:
- a. There were no allegations that Respondent Frank J. Albano engaged in any improper actions or had any involvement at all in the transactions that were the subject of Claimants' Statement of Claim; and;
 - b. Respondent Albano was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds;
- 6.) Other than Forum Fees, which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 7.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby dismissed with prejudice.

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 = \$ 500.00

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Prudential Equity Group, LLC.

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

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 Panel x \$1,200.00 = \$1,200.00
Pre-hearing conference: January 14, 2005 1 session

Total Forum Fees = \$1,200.00

The Arbitration Panel has assessed \$300.00 of the forum fees jointly and severally to Salim Farida, Suhair Farida, Lori Farida Living Trust, and Mary Yousif.

The Arbitration Panel has assessed \$300.00 of the forum fees to Prudential Equity Group, LLC.

The Arbitration Panel has assessed \$300.00 of the forum fees to Frank J. Albano.

The Arbitration Panel has assessed \$300.00 of the forum fees to Sandy M. Farida.

FEE SUMMARY

Claimants, Salim Farida, Suhair Farida, Lori Farida Living Trust, and Mary Yousif, are jointly and severally liable for:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 300.00
Total Fees	= \$ 800.00
Less payments	= \$1,700.00
Refund Due from NASD Dispute Resolution	= \$ 800.00

Respondent, Prudential Equity Group, LLC, is liable for:

Member Fees	= \$8,550.00
Forum Fees	= \$ 300.00
Total Fees	= \$8,850.00
Less payments	= \$9,000.00
Refund Due from NASD Dispute Resolution	= \$ 150.00

Respondent, Frank J. Albano, LLC, is liable for:

Forum Fees	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Sandy M. Farida, is liable for:

Forum Fees	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 300.00

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

ARBITRATION PANEL

Tracy L. Allen, Esq. - Public Arbitrator, Presiding Chair
Roman S. Gibbs, B.S., J.D. - Public Arbitrator
Eric S. Richards, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Tracy L. Allen, Esq.
Tracy L. Allen, Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/ Roman S. Gibbs, B.S., J.D.
Roman S. Gibbs, B.S., J.D.
Public Arbitrator

07/23/05
Signature Date

/s/ Eric S. Richardes, Esq.
Eric S. Richards, Esq.
Non-Public Arbitrator

07/22/05
Signature Date

07/29/05
Date of Service (For NASD office use only)

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ARBITRATION PANEL

Tracy L. Allen, Esq. - Public Arbitrator, Presiding Chair
Roman S. Gibbs, B.S., J.D. - Public Arbitrator
Eric S. Richards, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Tracy L. Allen, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Roman S. Gibbs, B.S., J.D.
Public Arbitrator

Signature Date


Eric S. Richards, Esq.
Non-Public Arbitrator

7/22/05
Signature Date

Date of Service (For NASD office use only)

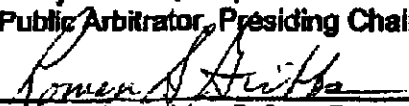
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ARBITRATION PANEL

Tracy L. Allen, Esq. - Public Arbitrator, Presiding Chair
Roman S. Gribbs, B.S., J.D. - Public Arbitrator
Eric S. Richards, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Tracy L. Allen, Esq.
Public Arbitrator, Presiding Chair


Roman S. Gribbs, B.S., J.D.
Public Arbitrator

Eric S. Richards, Esq.
Non-Public Arbitrator

Signature Date

7-23-05
Signature Date

Signature Date

Date of Service (For NASD office use only)

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ARBITRATION PANEL

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Roman S. Gibbs, B.S., J.D. - Public Arbitrator
Eric S. Richards, Esq. - Non-Public Arbitrator

Concurring Arbitrators:



Tracy L. Allen, Esq.
Public Arbitrator, Presiding Chair

Signature Date

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Public Arbitrator

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