
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Alexandre J. Ades
Hassan A. Khazem

Case Number: 04-04612

Names of the Respondents

Prudential Insurance Company of America,
d/b/a Prudential Financial,
Pruco Securities, LLC f/k/a
Pruco Securities Corporation
Cheryl Borek
Sara Dwyer

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Alexandre J. Ades ("Ades") and Hassan A. Khazem ("Khazem"), hereinafter collectively referred to as "Claimants": Ron Renzy, Esq., Wallberg & Renzy, Coral Springs, Florida.

For Prudential Insurance Company of America, d/b/a Prudential Financial ("Prudential"), Pruco Securities, LLC, f/k/a Pruco Securities Corporation ("Pruco"), Cheryl Borek, ("Borek"), and Sara Dwyer ("Dwyer"), hereinafter collectively referred to as "Respondents": Lorie Almon, Esq., Seyfarth Shaw LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: July 24, 2004.

Claimant Ades signed the Uniform Submission Agreement: June 24, 2004.

Claimant Khazem signed the Uniform Submission Agreement: June 24, 2004.

Answer and Affirmative Defenses to the Statement of Claim filed by Respondents on or about: September 24, 2004.

Respondent Prudential did not file an executed Uniform Submission Agreement.

Respondent Dwyer did not file an executed Uniform Submission Agreement.

Respondent Pruco signed the Uniform Submission Agreement: September 7, 2004.

Respondent Borek signed the Uniform Submission Agreement: October 27, 2004.

Claimants' Reply to Respondents' Affirmative Defenses filed on or about: September 30, 2004.

Claimants' Motion to Strike Respondents' Requests in Wherefore Clause of Answer and Affirmative Defenses filed on or about: September 30, 2004.

Claimants' Motion to Add Claim for Punitive Damages filed on or about: September 30, 2004.

Claimants' Motion to Strike Respondents' Pre-Hearing Brief in Support of its Opposition to the

Claims Brought by Claimants Alexandre Ades and Hassan Khazem filed on or about: August 12,

2005.

Respondents' Response to Claimant's Motion to Strike filed on or about: August 17, 2005.

Claimants' Motion for Summary Judgment filed on or about: August 22, 2005.

Respondents' Response to Claimant's Motion for Summary Judgment filed on or about: August 22, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: 1) defamation/libel; 2) intentional infliction of emotional distress 3) negligent infliction of emotional distress; 4) negligence; 5) interference with business relationship; and, 6) request for resubmission of U-5 form by Respondent Borek. The causes of action relate to Claimants' employment with Respondents and subsequent submission of the U-5 form.

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

RELIEF REQUESTED

Claimants requested an unspecified amount of compensatory damages; an order for the issuance of a new U-5 form, and such other relief as the Panel deemed fair and appropriate.

Respondents requested that the Panel dismiss the Statement of Claim in its entirety; award Respondents their costs and disbursements, including attorneys' fees; and, grant Respondents such other and further relief as the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Prudential and Dwyer did not file with NASD Dispute Resolution ("NASD") properly executed Uniform Submission Agreements 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.

On or about December 16, 2004, the parties informed NASD Dispute Resolution that Claimants had agreed to stay and/or withdraw all of their pending motions, specifically, Claimants' Motion to Strike Respondents' Requests in Wherefore Clause of Answer and Affirmative Defenses and Claimants' Motion to Add Claim for Punitive Damages.

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

Any and all claims against Respondents are denied.

The Panel recommends the expungement of all references to the above captioned arbitration, based on the defamatory nature of the information, from Respondent Borek's and Respondent Dwyer's registration records maintained by the NASD Central Registration Depository ("CRD").

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 Dispute Resolution will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$ 250.00

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. The NASD CRD records reflect that Respondents Prudential Insurance Company of America d/b/a Prudential Financial and Respondent Pruco Securities, LLC share a common CRD number. As such, only Respondent Pruco Securities, LLC is assessed member fees.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,200.00</u>
Total Member Fees	= \$4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

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:

No three-day cancellation fees were incurred 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 @ \$1,000.00/session	= \$ 2,000.00
Pre-hearing conferences: November 16, 2004	1 session
January 25, 2005	1 session

Seven (7) Hearing Sessions with the Panel @ \$1000.00/session	= \$ 7,000.00
Hearing Dates: August 29, 2005	2 sessions
August 30, 2005	2 sessions
August 31, 2005	2 sessions
September 1, 2005	1 session

Total Forum Fees	= \$9,000.00
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The Panel has assessed \$4,500.00 of the forum fees to Claimants, jointly and severally.
The Panel has assessed \$4,500.00 of the forum fees to Respondents, jointly and severally.

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.

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$4,500.00
Total Fees	= \$4,750.00
Less payments	= \$1,250.00
Balance Due NASD Dispute Resolution	= \$3,500.00

Respondent Pruco is solely liable for:

Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
Less payments	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$4,500.00
Total Fees	= \$4,500.00
Less payments	= \$ 250.00
Balance Due NASD Dispute Resolution	= \$4,250.00

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

ARBITRATION PANEL

Syma Kasdin, Esq.
George Siegel
Bernard Taub,

Public Arbitrator, Presiding Chairperson
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/s/_____
Syma Kasdin, Esq.
Public Arbitrator, Presiding Chairperson

November 30, 2005
Signature Date

_____/s/_____
George Siegel
Public Arbitrator

November 30, 2005
Signature Date

_____/s/_____
Bernard Taub .
Non-Public Arbitrator

December 1, 2005
Signature Date

December 1, 2005
Date of Service (For NASD Dispute Resolution office use only)


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George Siegel
Bernard Taub, Esq.

Public Arbitrator, Presiding Chairperson
Public Arbitrator
Non-Public Arbitrator

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Syma Kasdin, Esq.
Public Arbitrator, Presiding Chairperson

11/30/05
Signature Date

George Siegel
Public Arbitrator

Signature Date

Bernard Taub, Esq.
Non-Public Arbitrator

Signature Date

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Public Arbitrator

11/30/05

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Public Arbitrator, Presiding Chairperson

Signature Date

George Siegel
Public Arbitrator

Signature Date



Bernard Taub, ~~Esq.~~
Non-Public Arbitrator

12/1/05
Signature Date

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