

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Jose Maria Pascual (Claimant) v. Prudential Equity Group, Inc., Wachovia Securities, LLC, and Prudential Securities, Inc., A Division of Wachovia Securities, LLC (Respondents)

Case Number: 03-05596

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Members and Non-Member.

REPRESENTATION OF PARTIES

Claimant Jose Maria Pascual ("Pascual") hereinafter referred to as "Claimant": Theodore G. Eppenstein, Esq., Eppenstein & Eppenstein, New York, NY.

Respondents Prudential Equity Group, Inc. ("Prudential"), Wachovia Securities, LLC ("Wachovia"), and Prudential Securities, Inc., A Division of Wachovia Securities, LLC ("Prudential Securities") hereinafter collectively referred to as "Respondents": David A. Picon, Esq., Proskauer Rose, LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: July 30, 2003.

Claimant signed the Uniform Submission Agreement: July 28, 2003.

Joint Statement of Answer and Motion to Dismiss filed by Respondents on or about: December 1, 2003.

Respondents signed the Uniform Submission Agreement: December 16, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability; breach of fiduciary duty; misrepresentations and omissions; negligence, gross negligence, and negligent misrepresentation; fraud; breach of contract and breach of the covenant of good faith and fair dealing; breach of warranty; respondeat superior; and violation of New York General Business Law Section 349(a), Deceptive Acts in the Conduct of Business. The causes of action set forth in the complaint relate to Moscow City bonds and Brazilian bonds

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

RELIEF REQUESTED

Claimant requested compensatory damages and/or rescissionary and/or benefit of the bargain damages in such amount to be proven at the hearing; disgorgement of compensation; punitive damages; attorneys' fees, costs, and expenses; interest as provided by Article 50 of the New York Civil Practice Law and Rules; and such other and further relief as may appear just and equitable.

Respondents requested that the Panel dismiss the Statement of Claim in its entirety; costs and expenses; and such other and further relief as is just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

During the hearing, the Panel granted permission to Claimant to amend his Statement of Claim to remove Wachovia Securities, LLC as a party to this arbitration.

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.

AWARD

After considering the pleadings, and 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. Claimant's claims are denied in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages and attorneys' fees, 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 = \$ 250.00

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. Accordingly, Prudential Equity Group, LLC is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,200.00

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, Wachovia Securities, LLC is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Seven (7) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$ 3,150.00

Pre-hearing conferences:	April 30, 2004	1 session
	May 13, 2004	1 session
	May 26, 2004	1 session
	May 28, 2004	1 session
	July 16, 2004	1 session
	August 18, 2004	1 session
	September 7, 2004	1 session

One (1) Pre-hearing session with Panel @ \$1,000.00 = \$ 1,000.00

Pre-hearing conference:	April 5, 2004	1 session
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Twenty Two (22) Hearing sessions @ \$1,000.00 = \$22,000.00

Hearing Dates:	October 11, 2004	2 sessions
	October 12, 2004	2 sessions
	October 13, 2004	2 sessions
	October 27, 2004	2 sessions
	November 1, 2004	2 sessions
	November 2, 2004	2 sessions
	November 3, 2004	2 sessions
	December 20, 2004	2 sessions
	December 21, 2004	2 sessions
	December 22, 2004	2 sessions
	January 11, 2005	2 sessions

Total Forum Fees	= \$26,150.00
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1. The Panel has assessed \$13,075.00 of the forum fees to Claimant.
2. The Panel has assessed \$13,075.00 of the forum fees to Prudential.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
<u>Forum Fees</u>	<u>= \$13,075.00</u>
Total Fees	= \$13,325.00
<u>Less payments</u>	<u>= \$ 1,250.00</u>
Balance Due NASD Dispute Resolution	= \$12,075.00

2. Respondent Prudential is solely liable for:

Member Fees	= \$ 4,450.00
<u>Forum Fees</u>	<u>= \$13,075.00</u>
Total Fees	= \$17,525.00
<u>Less payments</u>	<u>= \$ 4,450.00</u>
Balance Due NASD Dispute Resolution	= \$13,075.00

3. Respondent Wachovia is solely liable for:

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

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

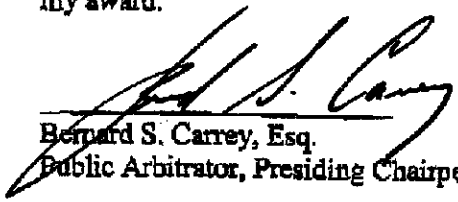
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ARBITRATION PANEL

Bernard S. Carrey, Esq.	-	Public Arbitrator, Presiding Chairperson
Diane Getzler, Esq.	-	Public Arbitrator
Philip Rachmelowitz, EA	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.


 Bernard S. Carrey, Esq.
 Public Arbitrator, Presiding Chairperson

January 20, 2005
 Signature Date

 Diane Getzler, Esq.
 Public Arbitrator

 Signature Date

 Philip Rachmelowitz, EA
 Non-Public Arbitrator

 Signature Date

January 27, 2005
 Date of Service (For NASD Dispute Resolution use only)

CLERK OF COURT
 COUNTY OF ALBANY
 ALBANY, NEW YORK

NOTAR PUBLIC
 COUNTY OF ALBANY
 ALBANY, NEW YORK

NASD REGULATION

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Signature Date

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