

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

James and Cynthia Giancola v. Anthony Arcuri, Prudential Equity Group, Inc. and Wachovia Securities, LLC

Case Number: 04-00439

Hearing Site: New York, New York

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Nature of the Dispute: Customer v. Member Firm and Associated Person

**REPRESENTATION OF PARTIES**

Claimants, James and Cynthia Giancola ("Giancolas") hereinafter referred to as "Claimants": Marcia Adelson, Esq., Tarrytown, New York.

Respondents Prudential Equity Group, Inc. (n/k/a Prudential Equity Group, LLC) ("Prudential") and Anthony Arcuri ("Arcuri") hereinafter collectively referred to as "Respondents": Brian R. Socolow, Esq., Loeb & Loeb LLP, New York, New York.

Respondent Wachovia Securities, LLC ("Wachovia"): Kevin B. Hurley, Esq., Wachovia Securities, LLC, Richmond, VA.

**CASE INFORMATION**

Statement of Claim filed on or about: January 18, 2004.

Claimants signed the Uniform Submission Agreement: January 8, 2004.

Joint Statement of Answer filed by Respondents on or about: July 19, 2004.

Respondent Prudential signed the Uniform Submission Agreement: October 29, 2004.

Respondent Arcuri signed the Uniform Submission Agreement. November 5, 2004.

Respondent Wachovia filed a Motion to Dismiss on or about: February 25, 2004.

Respondent Wachovia did not file a Uniform Submission Agreement.

**CASE SUMMARY**

Claimants alleged causes of action against Respondents including breach of contract, failure to supervise and negligence. Claimants' claims involved, but were not limited to, shares of JDS Uniphase and Global Crossing.

Respondents denied all of the allegations of wrongdoing set forth in Claimants' Statement of Claim. Respondents claimed that they acted prudently with respect to all recommendations to Claimants concerning investments and in all financial transactions engaged in by Claimants.

**RELIEF REQUESTED**

Claimants requested compensatory damages in an amount of \$38,000, plus interest and the costs of this action, including attorneys' fees.

Respondents requested denial of Claimants' claims, and that the Panel award Respondents attorneys' fees and costs. Respondents also requested expungement of this matter from Mr. Arcuri's CRD record maintained by the NASD.

**OTHER ISSUES CONSIDERED AND DECIDED**

On April 20, 2004, the parties entered into a stipulation to dismiss without prejudice Wachovia Securities, LLC from this arbitration.

Prior to the hearing, Anthony Arcuri was dismissed with prejudice by Claimants.

Prior to the hearing, the parties fully and finally settled all claims by and between them. Therefore, the Parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The Parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

**AWARD**

Pursuant to the above, the parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for entry of an Award, the written stipulation there, the Panel grants the motion and enters this award granting the following

1. The Parties have amenablely resolved their differences and have requested this Stipulated Award.
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Anthony Arcuri's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Arcuri must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. Each party shall bear its own costs, including attorney's fees, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

**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 = \$ 175.00

**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, Inc. is a party.

Member surcharge = \$ 875.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$1,000.00

**Three Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of the a scheduled hearing session:

December 15, 16 and 17, 2004 = \$ 100.00

1. The Arbitrator has assessed \$50.00 against Claimants
2. The Arbitrator has assessed \$50.00 against Respondents jointly and severally.

**Forum Fees and Assessments**

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

Two (2) Pre-hearing session with a single arbitrator @ \$450.00 = \$ 900.00

Pre-hearing conferences: July 27, 2004 1 session

November 12, 2004 1 session

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Total Forum Fees = \$ 900.00

3. The Arbitrator has assessed \$450.00 of the forum fees to Claimants.
4. The Arbitrator has assessed \$450.00 of the forum fees jointly and severally to Respondents Prudential and Arcuri.

**Fee Summary**

1. Claimants are liable for:

Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 450.00
Three-Day Cancellation Fee	= \$ 50.00
Total Fees	= \$ 675.00
Less payments	= \$ 625.00
Balance Due NASD Dispute Resolution	= \$ 50.00

2. Respondent Prudential is solely liable for:

Member Fees	= \$2,625.00
Total Fees	= \$2,625.00
Less payments	= \$2,625.00
Balance Due NASD Dispute Resolution	= \$ 0.00

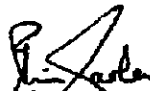
3. Respondents Prudential and Arcuri are jointly and severally liable for:

Forum Fees	= \$ 450.00
Three-Day Cancellation Fee	= \$ 50.00
Total Fees	= \$ 500.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 500.00

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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Parties' Signatures



Brian R. Spoolow  
Look & Look LLP  
Attorney for Respondents

12/23/04  
\_\_\_\_\_  
Signature Date



Merrick Adelson  
Attorney for Claimants

12/22/04  
\_\_\_\_\_  
Signature Date

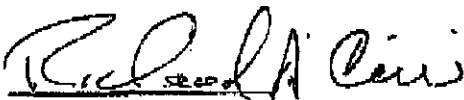
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ARBITRATION PANEL

Richard A. Cini

- Sole Public Arbitrator

Arbitrator's Signature

  
Richard A. Cini

17 February 2005  
Signature Date

February 18, 2005  
Date of Service