

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Geraldine Wales, Claimant v. Prudential Equity Group, LLC (f/k/a Prudential Securities, Inc.),
Gloria Liebig (a/k/a Gloria Riggio), and Christopher Coloracci, Respondents

Case Number: 04-01930

Hearing Site: Reno, Nevada

Nature of the Dispute: Customer v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimant:

Timothy A. Canning, Esq.
Novato, California

For Respondents:

Anne B. McCray, Esq.
McGuireWoods, LLP
Richmond, Virginia

CASE INFORMATION

Statement of Claim filed: March 19, 2004

Claimant's Uniform Submission Agreement signed: February 12, 2004

Joint Statement of Answer filed by Respondent Prudential Equity Group, LLC (f/k/a Prudential Securities, Inc.), Gloria Liebig (a/k/a Gloria Riggio), and Christopher Coloracci: May 26, 2004

Respondent Prudential Equity Group, LLC's Uniform Submission Agreement signed: June 2, 2004

Respondent Christopher Coloracci's Uniform Submission Agreement signed: June 29, 2004

CASE SUMMARY

Claimant alleged fraud, negligence, breach of contract, breach of fiduciary duty, misrepresentation, unsuitability, and failure to supervise. Claimant's allegations involved the purchase of unspecified equities for her account.

Respondents denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$175,000.00 in compensatory damages, unspecified punitive and exemplary damages, disciplinary referrals to regulatory agencies, and costs.

Respondents requested dismissal of Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Gloria Liebig did not file with NASD Dispute Resolution a properly executed submission agreement, but she is required to submit to arbitration pursuant to NASD's Code of Arbitration Procedure, and, having answered the claim and appeared and testified at the hearing, she is bound by the determination of the Panel on all issues submitted.

By letter dated June 30, 2005, Claimant dismissed Christopher Coloracci with prejudice from this matter.

On July 20, 2005, in accordance with Rule 10328(c), the Panel granted Claimant's verbal motion to amend her Statement of Claim to reduce the compensatory damages requested from \$175,000.00 to \$168,000.00.

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

- 1) Respondents Prudential Equity Group, LLC and Gloria Liebig are liable to and shall pay Claimant Geraldine Wales the sum of \$25,000.00 in compensatory damages.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Prudential Equity Group, LLC is a party, and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

One (1) pre-hearing conference session with a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: January 24, 2005 1 session	

One (1) pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: July 20, 2004 1 session	

Four (4) hearing sessions @ \$1,125.00/session	= \$ 4,500.00
Hearings: July 19, 2005 2 sessions	
July 20, 2005 2 sessions	

Total Forum Fees	= \$ 6,075.00
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1. The Panel assessed \$3,037.50 of the forum fees to Claimant Geraldine Wales.
2. The Panel assessed \$3,037.50 of the forum fees jointly and severally to Respondents Prudential Equity Group, LLC and Gloria Liebig.

Fee Summary

1. Claimant Geraldine Wales is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$3,037.50
Total Fees	= \$3,337.50
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 1,912.50

2. Respondent Prudential Equity Group, LLC is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Less payments	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Prudential Equity Group, LLC and Gloria Liebig are charged jointly and severally with the following fees and costs:

Forum Fees	= \$3,037.50
Balance Due NASD Dispute Resolution	= \$3,037.50

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

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ARBITRATION PANEL

Willy Nordwind, Jr., Esq.
Barbara L. Edin, Esq.
Vernon Barnum

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Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Willy Nordwind, Jr., Esq.
Chair, Public Arbitrator

Signature Date

Barbara L. Edin

Barbara L. Edin, Esq.
Public Arbitrator

7/22/05
Signature Date

Vernon Barnum
Non-Public Arbitrator

Signature Date

7/22/05
Date of Service

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Vernon Barnum

- *Public Arbitrator, Presiding Chair*
- *Public Arbitrator*
- *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Willy Nordwind, Jr.

Willy Nordwind, Jr., Esq.
Chair, Public Arbitrator

July 22, 2005

Signature Date

Barbara L. Edin, Esq.
Public Arbitrator

Signature Date

Vernon Barnum
Non-Public Arbitrator

Signature Date

7/22/05
Date of Service

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Public Arbitrator

Vernon Barnum

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Non-Public Arbitrator

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Chair, Public Arbitrator

Signature Date

Barbara L. Edin, Esq.
Public Arbitrator

Signature Date

Vernon Barnum
Vernon Barnum
Non-Public Arbitrator

7/25/05
Signature Date

Date of Service