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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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Securities Dealers, Inc

Nicholas D. Ricco, Anna G. Ricco and
Maria G. Chetti,

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Claimant,

v.

No. 95-03120

Prudential Securities, Inc. and
Michael J. Goodman,

Respondent.

REPRESENTATION OF PARTIES

The Claimants Nicholas D. Ricco ("Nicholas"), Anna G. Ricco ("Anna"), and Maria G. Chetti ("Maria") were represented by William R. Ponsoldt, Esq. of Kohl, Metzger & Spotts located in Stuart, Florida.

The Respondents Prudential Securities ("Prudential") and Michael J. Goodman ("Goodman") were represented by Donald Littlefield inside counsel for Prudential Securities.

CASE INFORMATION

The Statement of Claim was filed on about June 22, 1995.

Claimant, Nicholas', Submission Agreement was signed on May 31,

1995.

Claimant, Anna's, Submission Agreement was signed on May 31, 1995.

Claimant, Maria's, Submission Agreement was signed on May 31, 1995.

The Joint Statement of Answer was filed by Respondents on September 18, 1995.

Respondent, Prudential's Submission Agreement was signed by Donald Littlefield Vice President and Assistant General Counsel of Prudential on September 26, 1996.

Respondent, Goodman's, Submission Agreement was signed on September 27, 1995.

HEARING INFORMATION

The Hearing dates were March 18, 1996 for two (2) sessions and March 19, 1996 for two (2) sessions.

The Hearing Location was Dallas, Texas.

CASE SUMMARY

The Claimants alleged that the Respondents improperly and illegally handled their investments at the Respondent company. Claimants specifically alleged causes of action as follow: misrepresentations and omissions; negligent supervision; violations of the anti-fraud provision of the Securities and Exchange Act of 1934 as amended; breach of contract; common law fraud and liability for the Respondent company under the theory of respondeat superior.

The Respondents denied all allegations of wrongdoing and denied that the Claimants are entitled to any damages. Respondents further stated that the Claimants specifically authorized each and every trade in their accounts. Respondents also asserted affirmative defenses as follows: no fiduciary relationship or violation of any duty owed; no private right of action for violation of the NASD rules and a denial of violation of NASD rules; no failure to supervise; no violation of provisions of Section 10 (b) of the Securities and Exchange Act of 1934 as amended and Rule 10b-5 promulgated thereunder; statute of limitation; lack of scienter; no breach of contract; no misrepresentations made; ratification, approval and authorized trades made; failure to complain; failure to mitigate; Claimants' are not entitled to attorneys' fees or

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punitive damages under the law and the facts.

RELIEF REQUESTED

The Claimants' requested that they be awarded their actual damages in the amount of \$44,000.00 plus interest, such amount to be determined based on the proof of specific damages presented before the arbitration panel; for all of Claimants' costs, expenses, and disbursements, including reasonable attorneys' fees in pursuing this arbitration proceeding; the cost of the filing fee and all forum fees; punitive damages and such other relief as the panel of arbitrators deems just.

The Respondents requested that the Claims be dismissed in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed by 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 originals remain on file with the NASD.

AWARD

After considering the pleading, the testimony, and the evidence presented at the hearing the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- (1). That the Statement of Claim is denied in its entirety;
- (2). That other than forum fees which are addressed below, all other relief requested is denied.

FORUM FEES

Pursuant to Section 43(c) of the Code, the following forum fees are assessed:

There were four hearing sessions x \$400.00 = \$1,600.00, less the

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\$400.00 hearing session deposit previously paid by Claimants, for a total due the NASD in the amount of \$1,200.00.

Pursuant to Section 43(c) of the Code, the NASD shall retain the non-refundable filing fee in the amount of \$120.00, and shall retain the hearing session deposit in the amount of \$400.00 previously paid to the NASD by the Claimant.

The forum fees for hearing sessions are assessed equally against Claimants' and Respondents. Therefore, the Claimants are liable for and shall pay to the NASD forum fees in the amount of \$400.00, one half the amount due of \$1,600.00, (\$800.000), less the \$400.00 previously paid. Respondents are liable for and shall pay to the NASD forum fees in the amount of \$800.00. Pursuant to Section 45 of the NASD Code of Arbitration Procedure, the Respondent Prudential Securities, Inc. is liable for and shall pay its member sur charge in the amount of \$200.00.

Fees are payable to the National Association of Securities Dealers, Inc.

CONCURRENCE ARBITRATORS

Dated:

Name :

4-19-96

4-16-96

5-2-96

Date of Service by the NASD: 5-2-96