

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Robert Balestri and Lori Balestri, (Claimants) vs. Cuna Brokerage Services, Inc. and Frank Ammirato, (Respondents)

Case Number: 00-04474

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimants, Robert Balestri ("R. Balestri") and Lori Balestri ("L. Balestri"), hereinafter collectively referred to as "Claimants": John J. Blanchard, Esq., a sole practitioner, Montvale, NJ.

Respondents, Cuna Brokerage Services, Inc. ("Cuna") and Frank Ammirato ("Ammirato"), hereinafter collectively referred to as "Respondents": James Bolt, Esq., a sole practitioner, Madison, WI.

CASE INFORMATION

Statement of Claim filed on or about: October 5, 2000.

R. Balestri signed the Uniform Submission Agreement: October 5, 2000.

L. Balestri signed the Uniform Submission Agreement: October 5, 2000.

Joint Statement of Answer filed by Respondents on or about: December 15, 2000.

Cuna signed the Uniform Submission Agreement: December 4, 2000.

Ammirato signed the Uniform Submission Agreement: December 12, 2000.

CASE SUMMARY

Claimants asserted the following causes of action: violations of the Securities Exchange Act of 1934; violations of NASD Rules; untrue statements of material facts; fraud and deceit; concealment of risks; misrepresentations; gross negligence; omissions; breach of fiduciary duty; unsuitability; and failure to supervise. Claimants' claim involved unspecified financial products.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim fails to state a cause of action upon which relief can be granted; the Statement of Claim is barred by the statute of limitations; and the Statement of Claim is barred by the doctrine of laches.

RELIEF REQUESTED

Claimants requested:

- a. Compensatory damages in the amount of \$50,000.00;
- b. Interest;
- c. Attorneys' fees; and
- d. Costs.

Respondents requested that the Panel enter an Award:

- a. Dismissing the Statement of Claim with prejudice;
- b. Awarding reasonable attorneys' fees and the costs and disbursements of this action; and
- c. Expunging this complaint from Ammirato's Central Registration Depository ("CRD") report maintained by the NASD.

OTHER ISSUES CONSIDERED AND DECIDED

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, 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. Respondents be and hereby are jointly and severally liable for and shall pay to L. Balestri, individually, the sum of \$20,000.00 as compensatory damages, plus interest at the rate of 8% accruing from February 22, 2002 until paid.
2. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. 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. In this matter, Cuna Brokerage Services, Inc. is a party.

Member surcharge	= \$ 800.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,000.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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:

One (1) Pre-hearing session with Panel x \$600.00	= \$ 600.00
Pre-hearing conference: April 10, 2001	1 session

Five (5) Hearing sessions x \$600.00	= \$3,000.00
Hearing Dates: February 20, 2002	2 sessions
February 21, 2002	2 sessions
February 22, 2002	1 session

Total Forum Fees	= \$3,600.00
------------------	--------------

The Panel has assessed all of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants be and hereby are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 175.00
<u>Total Fees</u>	= \$ 175.00
<u>Less payments</u>	= \$ 975.00
Refund Due Claimants	= \$ 800.00

2. Cuna be and hereby is solely liable for:

<u>Member Fees</u>	= \$2,400.00
<u>Total Fees</u>	= \$2,400.00
<u>Less payments</u>	= \$2,400.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

3. Respondents be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$3,600.00
<u>Total Fees</u>	= \$3,600.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution, Inc.</u>	= \$3,600.00

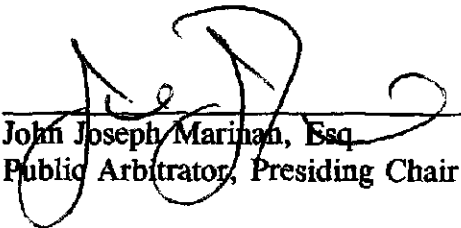
All balances are due and payable to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

John Joseph Marinan, Esq.	-	Public Arbitrator, Presiding Chair
Wayne P. Greene, Esq.	-	Public Arbitrator
Catherine I Gulevich	-	Industry 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.



John Joseph Marinan, Esq.
Public Arbitrator, Presiding Chair

3-12-02

Signature Date

Wayne P. Greene, Esq.
Public Arbitrator

Signature Date

Catherine I. Gulevich
Industry Arbitrator

Signature Date

March 28, 2002
Date of Service (For NASD office use only)

ARBITRATION PANEL

John Joseph Marinan, Esq.	-	Public Arbitrator, Presiding Chair
Wayne P. Greene, Esq.	-	Public Arbitrator
Catherine I Gulevich	-	Industry 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.

John Joseph Marinan, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Wayne P. Greene
Wayne P. Greene, Esq.
Public Arbitrator

3/21/02
Signature Date

Catherine I. Gulevich
Industry Arbitrator

Signature Date

March 28, 2002

Date of Service (For NASD office use only)

ARBITRATION PANEL

John Joseph Marinan, Esq.	-	Public Arbitrator, Presiding Chair
Wayne P. Greene, Esq.	-	Public Arbitrator
Catherine I Gulevich	-	Industry 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.

John Joseph Marinan, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Wayne P. Greene, Esq.
Public Arbitrator

Signature Date



Catherine I. Gulevich
Industry Arbitrator

March 12, 2002
Signature Date

march 28, 2002

Date of Service (For NASD office use only)