

NASD DISPUTE RESOLUTION MODIFIED AWARD
NASD DISPUTE RESOLUTION

CASE: 03-02926

Marguerite Illanovsky, Claimant vs. Royal Alliance Associates, Inc., and Kenneth Roberts, Respondents.

ATTORNEYS:

For Claimant appeared Douglas S. Knehr, Esq., MBA, Lawrenceville, NJ.

For Respondents appeared Jonathan C. Thau, Esq., of the firm Luboja & Thau, LLP, New York, NY.

DATE FILED: April 21, 2003

CASE SUMMARY: Claimant alleged that Respondents failed to conduct a comprehensive suitability analysis of her IRA account, and accordingly convinced her to purchase new and unsuitable Variable Annuities which generated new commissions, a new lockup period, and new surrender charges. Claimant further alleged that these new investments and charges added to significant risk exposures on the verge of the required distribution stage. Claimant maintained that due to Respondents' actions, the account suffered losses.

Claim Data

Claim: \$7,263.01
Punitive: \$17,480.60
Attorney Fees: \$4,042.50
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$7,263.01
Punitive: \$0.00
Attorney Fees: \$2,922.50
Filing Fees: \$425.00
Other: \$0.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents are jointly and severally liable and shall pay to the Claimant \$7,263.01. 2) Respondents are jointly and severally liable and shall pay to the Claimant attorney fees in the amount of \$2,922.50. 3) All requests for punitive damages are denied. 4) All other relief requests are denied. 5) The \$425.00 filing fee previously deposited with NASD Dispute Resolution by the Claimant, shall be retained by NASD Dispute Resolution. 6) Respondent, Royal Alliance Associates, Inc. is liable and shall pay Claimant \$425.00 as reimbursement of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent, Royal Alliance Associates, Inc. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.


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Fred S. Pieroni

Sole Public Arbitrator

AFFIRMATION

I, Fred S. Pieroni, 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.


Fred S. Pieroni


Signature Date

October 9, 2003
Date of Service (For NASD-DR office use only)