

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Annie Chin Bombard (Claimant) v. Richard Rubino, Samuel Liang, Advisory Group Equity Services, Ltd., Trust Advisory Group, Ltd., Rubin & Liang, LLC, and R & L Insurance Agency, LLC, and Stephen C. Olsson (Respondents)

Case Number: 04-03390

Hearing Site: Boston, Massachusetts

Nature of the Dispute: Customer vs. Member, Non-Members, and Associated Persons.

REPRESENTATION OF PARTIES

Claimant Annie Chin Bombard ("Bombard") hereinafter referred to as "Claimant": Susan F. Drogin, Esq., Boston, MA.

Respondents Richard Rubino ("Rubino"), Samuel Liang ("Liang"), Rubino & Liang, LLC ("Rubino & Liang"), and R & L Insurance Agency, LLC ("R & L"): Edwin F. Landers, Jr., Esq., Morrison Mahoney, LLP, Boston, MA.

Respondents Advisory Group Equity Services, Ltd. ("Advisory Group"), Trust Advisory Group, Ltd ("Trust Advisory Group"), and Stephen C. Olsson ("Olsson"): Maura K. McKelvey, Esq., Cetrulo & Capone, LLP, Boston, MA.

CASE INFORMATION

Statement of Claim filed on or about: May 7, 2004.

Claimant signed the Uniform Submission Agreement: May 5, 2004.

Joint Statement of Answer filed by Respondents Rubino, Liang, Rubino & Liang, and R & L on or about: September 15, 2004.

Respondent Rubino did not sign the Uniform Submission Agreement.

Respondent Liang did not sign the Uniform Submission Agreement.

Respondent Rubino & Liang did not sign the Uniform Submission Agreement.

Respondent R & L did not sign the Uniform Submission Agreement.

Joint Statement of Answer filed by Respondents Advisory Group and Olsson on or about: September 15, 2004.

Respondent Advisory Group did not sign the Uniform Submission Agreement.

Respondent Olsson did not sign the Uniform Submission Agreement.

Respondent Trust Advisory Group did not file a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: churning; unsuitability; and breach of fiduciary duty. The causes of action relate to Aviva Fixed Annuities and an Allianz Annuity.

Unless specifically admitted in their Answer, Respondents Rubino, Liang, Rubino & Liang, and R & L denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in their Answer, Respondents Advisory Group and Olsson denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$237,221.00; interest; reasonable attorneys' fees; costs and all other just and equitable relief.

Respondents Rubino, Liang, Rubino & Liang, and R & L requested that all causes of action assessed against them be dismissed; attorneys' fees and costs; and such further relief deemed to be just and proper.

Respondents Advisory Group and Olsson requested that the claim be dismissed.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Rubino, Liang, Rubino & Liang, R & L, Advisory Group, and Olsson did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, and are bound by the determination of the Panel on all issues submitted.

Respondent Trust Advisory Group, Ltd. is not an NASD member, and therefore, was not required to arbitrate in this forum and did not submit to NASD Dispute Resolution's jurisdiction.

On or about December 29, 2004 Respondents Rubino, Liang, Rubino & Liang, and R & L filed a motion to dismiss. On or about January 7, 2005, Respondents Advisory Group, and Olsson filed a motion to dismiss. A pre-hearing conference was held on March 1, 2005 regarding the motions. The Panel determined the following: "Upon joint motions duly made by the Respondents in the above-entitled action to dismiss this proceeding for a lack of subject matter jurisdiction based on Claimant's assertion of claims which are ineligible for submission under Rule 10101 of the NASD Code of Arbitration Procedure, it is the unanimous finding of this arbitration Panel that all claims at issue in this proceeding involve the sale of fixed insurance products by persons or entities that are not Members of the NASD, and are therefore outside the

scope of the jurisdiction of this Panel. In accordance with this finding, the joint motions by the Respondents to dismiss this action are ALLOWED, and it is hereby ORDERED that this case be dismissed."

On or about March 4, 2005 Claimant filed a Motion for Reconsideration of Respondents' Motion to Dismiss. The Panel deliberated on the Motion and issued the following ruling on March 24, 2005: "Upon joint motions duly made by the Respondents in the above-entitled action to dismiss this proceeding for a lack of subject matter jurisdiction based upon Claimant's assertion of Claimants which are ineligible for submission under Rule 10101 of the NASD Code of Arbitration Procedure, it is the unanimous finding of this arbitration panel that all claims at issue in this proceeding involve the sale of fixed annuity products by persons or entities that: (1) are not members of the NASD, and (2) were not acting in any capacity as Associated Persons of a Member of the NASD with regard to the sale of non-securities products to the Claimant. Therefore, under the factual circumstances of this case, the outside business activities of the Respondents Richard Rubino and Samuel Liang, and their privately held firms, Rubino & Liang, LLC and R & L Insurance Agency, LLC, are outside the scope of the jurisdiction of this panel. In accordance with this finding, the Claimant's Motion to Reconsideration of the Panel's prior rulings and order of dismissal is hereby denied."

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

1. Claimant's claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 = \$300.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Advisory Group Equity Services, Ltd. is a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conferences: November 18, 2004 1 session	
March 1, 2005 1 session	
Total Forum Fees	= \$2,250.00

1. The Panel has assessed \$1,125.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,125.00 of the forum fees jointly and severally against Respondents Rubino, Liang, Rubino & Liang, R & L, Advisory Group, and Olsson.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= <u>\$1,125.00</u>
Total Fees	= \$1,425.00
<u>Less payments</u>	= <u>\$1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
2. Respondent Advisory Group is solely liable for:

<u>Member Fees</u>	= <u>\$5,200.00</u>
Total Fees	= \$5,200.00
<u>Less payments</u>	= <u>\$5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents Rubino, Liang, Rubino & Liang, R & L, Advisory Group, and Olsson are jointly and severally liable for:

<u>Forum Fees</u>	= <u>\$1,125.00</u>
Total Fees	= \$1,125.00
<u>Less payments</u>	= <u>\$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$1,125.00

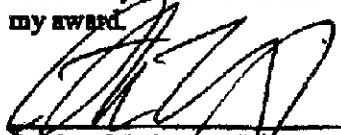
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Stephen M. Accra, Jr., Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Richard Giles Remmes, Esq.	-	Public Arbitrator
Bennett Fisch	-	Public 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.



Stephen M. Accra, Jr., Esq.
Non-Public Arbitrator, Presiding Chairperson



Signature Date

Richard Giles Remmes, Esq.
Public Arbitrator

Signature Date

Bennett Fisch
Public Arbitrator

Signature Date

March 31, 2005

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

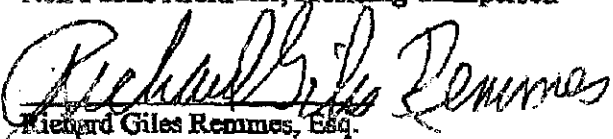
Stephen M. Acerca, Jr., Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Richard Giles Remmes, Esq.	-	Public Arbitrator
Bennett Fisch	-	Public Arbitrator

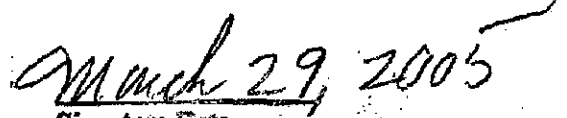
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Signature Date


Richard Giles Remmes, Esq.
Public Arbitrator


Signature Date

Bennett Fisch
Public Arbitrator

Signature Date

March 31, 2005

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Stephen M. Acerra, Jr., Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Richard Giles Remmes, Esq.
Public Arbitrator

Signature Date



Bennett Fisch
Public Arbitrator



Signature Date

March 31, 2005

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