

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Umberto & Armida DiSabatino

Claimants

vs.

ISFA Corporation d/b/a Invest and  
Mary Randolph

Respondents

Case # 88-03302

AWARD

CASE SUMMARY

Claimants Umberto and Armida DiSabatino alleged that the Respondents entered them into investments that were unsuitable for their needs and made misleading and false statements to the Claimants. Respondents maintained the investments were suitable for the Claimants and that the features and functions of the products purchased by the Claimants were explained in great detail to them.

RELIEF REQUESTED

Claimants requested rescission of the investment agreements dated February 11, 1987 and March 12, 1987 and damages of \$200,112.25 plus interest, attorney fees and costs. Claimants further requested punitive damages of \$100,000.00. Respondents requested dismissal of claim

AWARD

On August 2, 1989 said date representing 1 hearing session the undersigned arbitrators heard the controversy between the parties at the offices of the National Association of Securities Dealers, Inc. located in Washington, DC as set forth in submissions to arbitration signed by Claimants, Umberto and Armida DiSabatino on October 19, 1988 and by Respondent, ISFA Corporation d/b/a Invest on December 29, 1988 and signed by Respondent, Mary Randolph on August 2, 1989. The Statement of Claim was filed with the National Association of Securities Dealers, Inc. on October 24, 1988.

Page2.  
88-03302

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondents, ISFA Corporation d/b/a Invest, and Mary Randolph be and hereby are liable jointly and severally and shall pay to the Claimants, Umberto & Armida DiSabatino the sum of Twenty Thousand Dollars and No Cents (\$20,000.00).
2. The parties shall each bear their respective costs including attorneys' fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant.

ARBITRATORS CONCURRING

DATED: August 18th, 1989

John W. Rader, Sr.  
John W. Rader, Sr.