

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Anthony Valente

Case #89-01209

**AWARD**

Respondent

### CASE SUMMARY

Claimant Anthony Valente alleged that the Respondent Anthony Pallo misrepresented the quality and safety of the Putnam High Income Government Trust Fund and improperly charged the Claimant a commission upon the sale of this Fund. The Claimant also alleged that the Respondent failed to honor his guarantee that he would redeem the Claimant's Oppenheimer New York Tax Exempt Fund and Alliance Tax-Free New York Portfolio at the offering price.

Respondent Anthony Pallo contended that the Putnam Fund was suitable and consistent with the Claimant's investment objectives, and that the Claimant authorized the purchase of the Fund with full knowledge of the risks involved. Further, the Respondent contended that he unwillingly signed the guarantee, and that he always acted properly in accordance with the rules of the Association. The Respondent also asserted a counterclaim in which he alleged the Claimant continuously obstructed the operation of his firm, reneged on Putnam trades, and was improperly credited monies in his Money Market Fund Account.

RELIEF REQUESTED

Claimant Anthony Valente requested actual damages of \$40,000.00. Respondent Anthony Pallo requested dismissal of the Statement of Claim in its entirety, plus, pursuant to his counterclaim, actual damages of \$58,074.00.

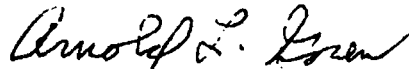
**AWARD**

On March 29, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Anthony Valente on April 21, 1989, and by Respondent Anthony Pallo on July 10, 1989. The hearing was conducted at the offices of the National Association of Securities Dealers, Inc. and consisted of two (2) hearing sessions. The

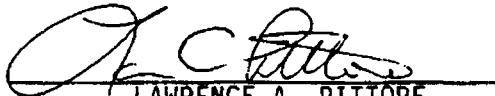
arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Anthony Paillo be and hereby is liable and shall pay to the Claimant Anthony Valente the sum of Ten Thousand Dollars and No Cents (\$10,000.00), with no interest.
2. Claimant Anthony Valente be and hereby is liable and shall pay to the Respondent Anthony Paillo the sum of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00), with no interest.
3. The parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant, and the Respondent Anthony Paillo be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of Four Hundred Dollars and No Cents (\$400.00), as costs of the two (2) hearing sessions conducted in this matter.

CONCURRING ARBITRATORS



ARNOLD L. GOREN



LAWRENCE A. PITTORE



COSIMO PATTI

DATED: April 30th, 1990