

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Amelia M. Swazey

89-03409

Name of Respondent(s)

Advest, Inc.
Thomas Cechini

CASE SUMMARY

Claimant alleged that Respondents made recommendations to purchase highly risky, speculative securities that were unsuitable for the Claimant who had no prior investment experience. Claimant further alleged that the Respondents churned her account and caused the account to be leveraged with the use of margin creating losses for her. Respondents maintained that the Claimant was a knowledgeable and experienced investor and was aware at all times of the trading in her account.

RELIEF REQUESTED

Claimant requested compensatory damages of \$216,807.00 plus interest or earnings and appreciation since August 1989. Claimant also requested unspecified exemplary and punitive damages in an amount to be determined by the arbitrators. Respondents requested that the claim of the Claimant be dismissed and costs be awarded to them.

AWARD

On August 20, 1990 in Buffalo, New York, the undersigned arbitrators heard the controversy between the parties as set forth in submissions signed by the Claimant Amelia M. Swazey on September 30, 1989, by Respondent Advest, Inc. on January 15, 1990, and by Respondent Thomas Cechini on January 15, 1990. The initial Statement of Claim was filed on December 5, 1989. The arbitration panel, having considered the pleadings, the testimony and the evidence presented at the hearing, has determined in full and final

resolution of all issues submitted for determination as follows:

- (1) Respondents Advest, Inc. and Thomas Cechini are jointly and severally liable and shall pay to the Claimant Amelia M. Swazey the sum of Eighty Thousand Dollars and No Cents (\$80,000.00).
- (2) The Claimant's claim for punitive and exemplary damages is denied.
- (3) The parties shall each bear their own costs including attorneys fees.
- (4) Pursuant to Section 43 of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant as costs of the three hearing sessions conducted in this matter.

CONCURRING ARBITRATORS

/s/ _____
Joseph F. Ruh, Jr.

Dated: 9/24/90