

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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| In the Matter of the Arbitration Between | : | |
| Frank And Carolina Ruggiero | : | |
| Claimants | : | |
| vs. | : | AWARD |
| | : | Case #90-00609 |
| Harvey and Murray Bell | : | |
| Respondents | : | |

CASE SUMMARY

Claimants, Frank and Carolina Ruggiero ("Claimants") alleged that Respondents, Harvey and Murray Bell ("Respondents") placed them in an unsuitable investment. Claimants alleged that they told Respondents they wanted to "earn as much interest as possible" on their life savings without losing any of their principal. Claimants alleged that Respondent Harvey Bell represented that the Claimants investment was a low risk investment where the interest rate may fluctuate. Claimant alleged that Harvey Bell represented to them at the time of the initial investment that in three years they would receive their initial investment of \$150,000.00 back. Claimants alleged that Harvey Bell continually assured them that their money was safe.

Respondents specifically denied all allegations of wrongdoing in the handling of Claimants' account. Respondents maintained that Claimants were suitable for the investment and that it met with their investment objective of higher interest than they could obtain from a certificate of deposit. Respondents maintained that they spent a considerable amount of time discussing alternative investment vehicles with the Claimants. Respondent maintained that Claimants were provided with a copy of the prospectus before the Claimants made their investment. Respondents maintained that they informed the Claimants that the investment funds yield and interest rates could change and were not guaranteed. Respondents maintained that the risks of investing in the fund were explained to the Claimants.

RELIEF REQUESTED

Claimants sought compensatory damages in the amount of approximately thirty thousand dollars and no cents (\$30,000).

Respondents requested that the Claimants' Statement of Claim be dismissed.

AWARD

On Tuesday, December 18, 1990 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimants on February 23, 1990 and by the Respondents on May 23, 1990. The hearing was held in New York City and consisted of two 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. That Claimants' claim is denied in its entirety
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 \$400.00 filing fee previously deposited by the Claimants as costs of their forum fee assessment.
4. Respondents Harvey and Murray Bell are assessed forum fees in the amount of \$400.00 payable to the NASD, Inc. through its staff counsel in accordance with Section 43 of the Code of Arbitration Procedure.

ARBITRATORS CONCURRING

/s/
Peter Wang

/s/
Barry Feiden

/s/
Joseph F. Generelli

DATED: December 28, 1990