



N.A.S.D. AWARD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant(s)

Gisela Alkhafaji

90-01175

Name of Respondent(s)

Matthew Kelly

Heard before the Arbitrator:

Name

Public/Industry

Professor Arnold Goren

Public

CASE SUMMARY

This matter was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on April 24, 1990. Claimant, Gisela Alkhafaji alleged that Respondent, Matthew Kelly failed to inform her that her principle could fluctuate when she purchased Putnam High Yield Government Fund and alleged that she would not have done so if she had known this. Claimant further stated that she never received any material explaining the nature of her investment prior to purchasing the funds.

In a Statement of Answer filed with the NASD in November or 1990, Respondent, Matthew Kelly maintained that Claimant was fully aware of the nature of her investment and that a prospectus was sent to Claimant which required her to complete a form and return it to the firm before the sale could have been considered consummated.

RELIEF REQUESTED

Claimant requested an award in the amount of \$10,000.00 as a refund of her loss.

Respondent requested dismissal of the Claim.


AWARD #90-01175

AWARD

On March 11, 1991, in New York City, New York during a hearing lasting one (1) session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant, Gisela Alkhafaji, on April 21, 1990 and by Respondent, Matthew Kelly, on November 7, 1990. After considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Matthew Kelly, shall pay to Claimant, Gisela Alkhafaji the sum of One Thousand Five Hundred Seventy Five Dollars and No Cents (\$1,575.00);
2. The Parties shall each bear their respective costs, including attorneys' fees;
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$275.00 filing fee previously deposited by the Claimant.

Concurring Arbitrator's Signature



Arnold L. Goren

Date of Decision: 4/9/91

DATED BY NASD
APRIL 12, 1991

c. Respondents are jointly and severally assessed the sum of \$500 representing forum fees to be paid to the NASD directly.

OTHER ISSUES

The parties stipulated to the execution and service of the award in counterpart copies.

NG

DATE SERVED: 07/01/91

Kuh
Ruth G. Lavell