

PUBLIC

NASD

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Arbitration

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimants

Angelo & Judith Costa

vs.

Case #
91-01873

Name of Respondents

INVEST Financial Corp.
Thea Broadus

REPRESENTATION

For Claimant: Harvey R. Peters, Esq. of Peters, Smith & Moscardelli.

For Respondent: Eugene B. Harper, Esq., in-house counsel.

CASE INFORMATION

Statement of Claim filed: June 17, 1991.

Claimant's Submission Agreement signed on: June 06, 1991.

Joint Statement of Answer filed by Respondents, Invest Financial Corporation and Thea Broadus, on: July 22, 1991.

Respondent's, Invest Financial Corporation, Submission Agreement signed on: July 19, 1991.

Respondent, Thea Broadus, Submission Agreement signed on: January 24, 1992.

HEARING INFORMATION

Hearing Date/Hearing Sessions: February 26, 1992 - Two sessions.

Hearing Location: Boston, Massachusetts.

CASE SUMMARY

Claimants allege that Respondent, Thea Broadus, a former employee of Respondent, Invest Financial Corporation, recommended unsuitable investments vehicles and fraudulently invested their lives savings into junk bonds, i.e., Franklin's AGE High Income Fund. Claimants further allege that Respondents lied to and misled them and caused them to lose a great deal of money.

Respondents deny the allegations and deny liability. Specifically, Respondents deny the allegations of fraud. Respondents contend that the investments were consistent with Claimants' investment objectives. Respondents further contend that they are not liable because Claimants were fully advised, understood and assumed the risks associated with the investments. Respondents also contend that Claimants are estopped from recovery by their approval, authorization and/or ratification of the transactions.

RELIEF REQUESTED

Claimants request an award of \$75,000.00 plus interest and costs.

Respondents request that the claims be dismissed in its entirety, an award of costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to received conformed copies of the Award while the originals remain on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Invest Financial Corporation, is hereby liable and shall pay Claimants Twenty Five Thousand Six Hundred and Fifty Five Dollars and Zero Cent (\$25,655.00);
2. The above sum includes interest;
3. The claim against Respondent, Thea Broadus, is denied;
3. All other claims and counterclaims are denied.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

1. Respondent is assessed \$150.00 non-refundable filing fee;

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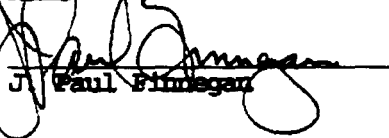
2. Respondent is further assessed \$1,000.00 for two hearing sessions at \$500.00 per session;

3. Respondent shall satisfy this assessment by reimbursing Claimants \$650.00 which they deposited and remitting \$500.00 to the NASD.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrator's Signature

Name


J. Paul Finnegan

Public/Industry

Public

Date of Decision: April 9, 1992

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Concurring Arbitrator's Signature

Name



Charles F. O'Connell, Esq.

Public/Industry

Public - Chairperson

Date of Decision: April 9, 1992

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Concurring Arbitrator's Signature
Name


Barry M. Freedman

Public/Industry

Industry

Date of Decision: April 9, 1992