

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant:

Anne Maria Sant'Angelo

91-02082

Name of Respondents:

Wealth Builders Equity Corp.
Integrated Resources Equity Corporation
The Financial Planning Store, Inc.
William Ross

REPRESENTATION

For Claimant: Alan Sant'Angelo, Esq. of Sant'Angelo & Trope.

For Respondents Wealth Builders Equity Corporation ("Wealth Builders"), The Financial Planning Store, William Ross: Mitchell Cobert, Esq., Sole Practitioner.

For Respondent Integrated Resources Equity Corporation ("Integrated Resources"): Mark Quinn, Esq., in house counsel.

CASE INFORMATION

Claimant filed a Statement of Claim on July 2, 1991 and executed a Submission Agreement on June 27, 1991. Claimant filed a response dated September 6, 1991 to Respondent Integrated Resources's Motion to Dismiss.

Respondents Wealth Builders, The Financial Planning Store and William Ross filed a joint Statement of Answer dated August 2, 1991. Respondent Wealth Builders executed a Submission Agreement on August 2, 1991, Respondent The Financial Planning Store executed a Submission Agreement on August 2, 1991 and Respondent William Ross executed a Submission Agreement on August 2, 1991.

Respondent Integrated Resources filed a Statement of Answer on October 1, 1991. Respondent Integrated Resources did not execute a Submission Agreement as required by Section 1 of the NASD Code of Arbitration Procedure. Respondent Integrated Resources filed a Motion to Dismiss dated August 29, 1991.

HEARING INFORMATION

Pre-Hearing Conference: None.

Hearing Date/Sessions: February 11, 1992 - two sessions.

Hearing Location: NASD Offices located in New York, New York.

CASE SUMMARY

Claimant alleged that she was an unsophisticated client who invested the proceeds of her husband's life insurance policy plus some additional funds in an Insured Municipal Securities Trust Series 20 ("IMST"), which consisted of tax exempt bonds. She further alleged that she was induced to make the purchase by Respondent William Ross who was affiliated with Respondent The Financial Planning Store.

Claimant also alleged that Respondent Ross was dually registered with both Respondents Integrated Resources and Wealth Builders. She alleged that she purchased the IMST on June 29, 1989 through Respondent Wealth Builders. Claimant also alleged that this investment was unsuitable for her in that she did not need tax free income. She further alleged that she did not receive a prospectus until approximately six weeks after the transaction. In response to Respondent Integrated Resources's Motion to Dismiss, Claimant alleged that Respondent William Ross was registered with Respondent Integrated Resources and held himself out as such to the Claimant. Claimant further alleged that the sale of the securities in issue was made through Respondent Integrated Resources on November 2, 1989.

Respondents Wealth Builders, The Financial Planning Store and William Ross maintained that the information Claimant provided to Respondent Ross as to her net worth suggested that she would have sufficient taxable income and could benefit from IMST as an investment vehicle. Therefore, Respondents maintained that a tax free unit trust would be a suitable investment for her. Respondents further maintained that IMST's triple A rating would satisfy her need for safety. Respondents further maintained that all prospectus delivery requirements were met.

Respondent Integrated Resources maintained that at the time of the purchase Respondent Ross was no longer its employee and that the purchase was effected only through Respondent Wealth Builders. Respondent Integrated Resources maintained that no connection existed between it and the Claimant at the time of the transaction which gave rise to this claim. Respondent Integrated Resources reiterated these arguments in its Motion to Dismiss.

RELIEF REQUESTED

Claimant requested compensatory damages of \$18,171.82, attorney's fees of \$2,637.50 plus \$539.59 for filing fees.

Respondents Wealth Builders, The Financial Planning Store and William Ross requested dismissal of the claim and attorney's fees in an unspecified amount.

Respondent Integrated Resources requested dismissal of the claim.

OTHER ISSUES CONSIDERED & 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 receive conformed copies of the Award while the originals remain on file with the NASD.

Prior to the first scheduled hearing session, the Claimant and Respondent Integrated Resources entered into a settlement agreement. Claimant withdrew with prejudice its claim against Respondent Integrated Resources.

AWARD

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

1. That the Claimant's claim against Respondent Wealth Builders is dismissed in its entirety;
2. That the Claimant's claim against Respondent The Financial Planning Store is dismissed in its entirety;
3. That the Claimant's claim against Respondent William Ross is dismissed in its entirety; and
4. That each side is to bear its own costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, forum fees of \$400.00 are assessed. This amount was computed as follows:

\$400.00/session x 2 sessions - \$400.00 hearing session deposit
previously paid by Claimant = \$400.00

The parties are to bear this amount as follows:

Respondents Wealth Builders, The Financial Planning Store and William Ross are assessed the sum of \$400.00 jointly and severally.

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

The NASD will retain the Claimant's \$120.00 nonrefundable claim filing fee.

Concurring Arbitrator's Signature:



Stan West, Esq.
Public Arbitrator/Chairperson

Date of Decision: February 21, 1992
NASD Date of Decision: March 10, 1992

FORUM FEES

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previously paid by Claimant = \$400.00

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The NASD will retain the Claimant's \$120.00 nonrefundable claim filing fee.

Concurring Arbitrator's Signature:

William E. O'Mara
William O'Mara
Industry Arbitrator

JOSEPH A. CANOVA
Notary Public, State of New York
No. 00000000000
Commission Expires Dec. 31, 1993

Date of Decision: 2/21/1992

NASD Date of Decision: March 10, 1992

FORUM FEES

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

The NASD will retain the Claimant's \$120.00 nonrefundable claim filing fee.

Concurring Arbitrator's Signature:



David Finnegan, Esq.
Public Arbitrator

Date of Decision: 2/27/92

NASD Date of Decision: March 10, 1992

Award No. 91-02082

STATE OF: New York
COUNTY OF: New York

On this 21 day of February, 1992, before me personally appeared Stan West known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

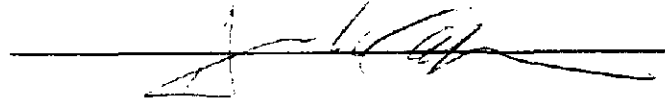
KAREN A. WEST
Notary Public, State of New York
No. 31-4965346
Qualified in New York County
Commission Expires April 16, 1998

[Signature: Karen A. West]

Award No. 91-02082

STATE OF: New York
COUNTY OF: New York

On this 25 day of FEB, 1992, before me personally appeared William O'Mara known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



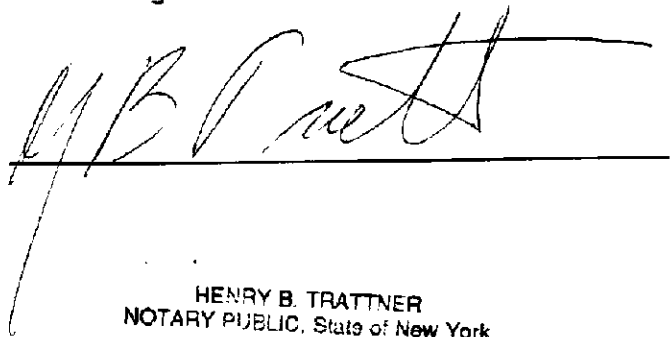
JOSEPH V. CAPUA
Notary Public, State of New York
No. 66-18275
Qualified in Kings County
Commission Expires Dec. 31, 1993

Award No. 91-02082

STATE OF: New York
COUNTY OF: New York

S.S.:

On this 27th day of FEBRUARY, 1992, before me personally appeared David Finnegan known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

A handwritten signature in dark ink, appearing to read "H. B. Trattner", is written over a horizontal line.

HENRY B. TRATTNER
NOTARY PUBLIC, State of New York
No. TR-01-4660335
Qualified in Nassau County
Commission Expires October 31, 1993