

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of Arbitration Between

John C. Bellio

Claimant

CASE #91-02245
AWARD

vs.

Prudential Securities, Inc. and
Melvin Harris

Respondents

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 23, 1991, Claimant, John C. Bellio, who appeared Pro Se, maintained that he transferred his IRA account to Respondents Prudential Securities, Inc. and instructed Respondent, Melvin Harris to open another IRA account which would provide a safe investment. Claimant further maintained that he notified Respondents that the investment need not generate high interest, as long as it was a safe investment. Claimant alleged that Respondents failed to follow his instructions and instead put him in a high yield, high risk investment. Claimant further alleged that he informed Respondents that he had no prior knowledge of stocks and bonds and was an inexperienced investor.

Respondents, Prudential Securities, Inc. and Melvin Harris by and through their in-house counsel, Laurie A. Giolito, Esq., maintained that Claimant, John C. Bellio transferred his IRA account to Prudential Securities in January 1988. Respondents further maintained that Claimant instructed Respondent Melvin Harris to open an IRA account which provided for safety of principal, and income with a high yield. Respondents contended that Claimant informed them that he had three years of stock and bond experience. Respondents further contended that Claimant made all his own decisions and any losses incurred were caused by his own acts and conduct rather than any wrongful activity of Respondents.

RELIEF REQUESTED

Claimant, John C. Bellio requested \$8,497.09 in actual damages.

Respondents, Prudential Securities, Inc. and Melvin Harris requested the Claim of Claimant, John C. Bellio be dismissed in its entirety.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Arie Leo Douer was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 16, 1991, by Respondent Prudential Securities Inc. on September 26, 1991 and by Respondent, Melvin Harris on October 1, 1991.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Prudential Securities, Inc. and Melvin Harris are jointly and severally liable and shall pay to the Claimant, John C. Bellio, the sum of \$2,818.00 in damages.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant John C. Bellio shall be retained by the National Association of Securities Dealers, Inc. and Melvin Harris shall pay \$150.00 to the Claimant, John C. Bellio as reimbursement.

AFFIRMATION

I, ARIEH LEO DOUER, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

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Arick Lee

Signature of Arbitrator

DATE OF DECISION: February 13, 1992