

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

RoseMarie Gagliardi a/k/a Gardi

92-01659

Name of Respondents

MONY Securities Corporation
Aldo Verrelli

REPRESENTATION

For Claimant: RoseMarie Gagliardi a/k/a Gardi ("Claimant"): Claimant represented herself.

For Respondents: MONY Securities Corporation and Aldo Verrelli ("Respondents"): Terri McIntyre of the law firm of Bergadano, Zichello & Babchik.

CASE INFORMATION

Statement of Claim filed: May 13, 1992.

Claimant's Submission Agreement signed on: May 13, 1992.

Joint Statement of Answer filed by Respondents on: June 29, 1992.

Respondent MONY Securities, Corp.'s ("MONY") Submission Agreement signed on: June 25, 1992.

Respondent Aldo Verrelli's ("Verrelli") Submission Agreement signed on: June 24, 1992.

HEARING INFORMATION

Hearing Date/Sessions: December 8, 1992, two sessions

Hearing Location: NASD Office, New York City

CASE SUMMARY

Claimant alleged that Respondent Verrelli induced her to place a substantial amount of her liquid assets in an investment that was unsuitable for her. Claimant, a widow, alleged that she told Verrelli that she wanted a safe investment and that Verrelli placed all her investment monies into the First Investors Fund for Income ("First Investors Fund"). Claimant alleged that this fund did not comply with her stated investment objective of safety. Claimant alleged that Verrelli failed to disclose the risks associated with this type of investment.

Respondents maintained that Verrelli met with Claimant to gather detailed information concerning Claimant's assets, liabilities, sources of income as well as Claimant's investment objectives. Respondents maintained that Claimant indicated that she wanted sufficient income to support her standard of living. Respondents maintained that the First Investors Fund met Claimant's stated investment objectives and was suitable for her. Respondents maintained that Claimant did not ask for an investment that was "as safe as possible", but rather, Claimant stressed her need for income. Respondents maintained that all aspects of the First Investor Fund as well as other mutual funds were explained to Claimant and that it was Claimant's decision to invest in the First Investor Fund.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$39,881.85, plus interest on this award from October 22, 1990, plus reimbursement for her NASD filing fee and all other costs associated with this arbitration.

Respondents requested that Claimant's claim be dismissed in its entirety.

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.

AWARD

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

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1. That Respondents MONY and Verrelli are jointly and severally liable to the Claimant and shall pay to the Claimant the sum of Twenty Five Thousand and 00/100 (\$25,000.00); inclusive of interest.
2. That the parties shall bear their respective costs, including attorney's fees.

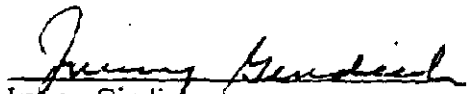
FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, Claimant's hearing session deposit of \$400 is retained to cover the cost of the initial hearing session. The cost of the second hearing session is assessed against the Respondents, jointly and severally, so that forum fees in the amount of \$400 are assessed against the Respondents.

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

Concurring Arbitrator's Signature
Name

Public/Industry


Irving Gindick

Industry Arbitrator

NASD Date of Decision: January 25, 1993

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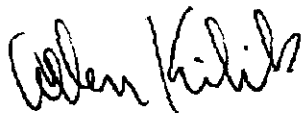
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Public/Industry



Allen Kilik, Esq./Chairman

Public Arbitrator

NASD Date of Decision: January 25, 1993

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Concurring Arbitrator's Signature
Name

Public/Industry

Jane Polisar
Jane Polisar, Esq.

Public Arbitrator

NASD Date of Decision: January 25, 1993