

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

John J. and Evelyn J. Coco, JTWROS

92-02539

Name of Respondents

Robert Todd Financial Corp.
Steven R. Cloyes

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 3, 1992, Claimants John J. and Evelyn J. Coco, who appeared Pro Se, alleged that Respondent Steven R. Cloyes, while employed by Respondent Robert Todd Financial Corp., used high pressure tactics to convince him to purchase American Aircraft Corp. stock, and that although they requested financial information regarding the company, it was not provided to them. The Claimants further alleged that they later discovered that this security was not cleared for sale to Massachusetts residents, and that these shares should not have been sold to them. The Claimants contended that they are entitled to compensation for their losses due to the Respondents' negligence.

Respondents Robert Todd Financial Corp. and Steven R. Cloyes, through their counsel, Leslie Case, Esq. of Gersten, Savage, Kaplowitz & Curtin, New York, NY, maintained that no misrepresentations were ever made to the Claimants, and that they purchased American Aircraft Corp. stock without any inducements from either Respondent. The Respondents further maintained that this security was not required to be registered in Massachusetts and was legally permitted to sell its securities pursuant to a standard manual exemption. The Respondents contended that the Claimants' losses were not caused by them and that the Claimants must suffer the consequences of their investment decisions.

RELIEF REQUESTED

Claimants John J. & Evelyn J. Coco requested \$3,382.70 in actual damages, plus the return of the NASD filing fee.

Respondents Robert Todd Financial Corp. and Steven R. Cloyes requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Charles O'Connell, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on July 28, 1992 and by the Respondents on October 30, 1992.

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. The claims of the Claimants John J. & Evelyn J. Coco against Respondents Robert Todd Financial Corp. and Steven R. Cloyes are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc.

AFFIRMATION

I, CHARLES O'CONNELL, ESQ., 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.



Signature of Arbitrator

DATE OF DECISION: 6/25/93