

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Joseph A. Ciaramella

92-04256

Name of Respondent

Prudential Securities, Incorporated

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 22, 1992, Claimant Joseph A. Ciaramella, who appeared Pro Se, alleged that in August of 1987, he invested with Respondent Prudential Securities, Incorporated in an IRA account, approximately \$12,000.00 by and through Respondent's Account Executive, who at the time recommended that Claimant put 1/3 or \$4,000.00 into Polaris Aircraft Income Fund, at which time, Claimant discussed the fact that the money was for his future retirement and stressed that he wanted the money to grow securely whereby Claimant took Respondent's advice to purchase the fund. Claimant further alleged that today, five years later, he discovered that Polaris Income Fund is worthless and that he lost all his money. Claimant contended that during the five years, he had numerous account executives with Respondent and no one ever informed him that this could happen. Claimant further contended that Respondent misled him and did not look after his welfare or future as promised, thus, Claimant should be returned his funds.

Respondent Prudential Securities, Incorporated by and through their in-house counsel John N. Camperlengo, Esq., maintained that Claimant Joseph A. Ciaramella met with his financial advisor seeking investment advice for his Individual Retirement Account and various investments were discussed, at which time, Claimant agreed that a well diversified portfolio which included Polaris met objectives whereby Claimant was satisfied with the Polaris investment and purchased eight units for the sum of \$4,000.00 Respondent further maintained that in order to diversify the account, Claimant purchased various other securities with a value of over \$8,000.00. Respondent contended that upon investing in Polaris, Claimant received a prospectus indicating the risks associated with the Polaris product and Claimant also received monthly statements and income distributions as well as Quarterly Reports, Annual Reports, in addition to Partnership

updates containing relevant information about his Polaris investment. Respondent further contended that despite receiving these documents for the past five years, at no time did Claimant ever allege that the investment was unsuitable and since his initial Polaris investment in August 1987, Claimant has received \$2,017.76 in income distributions, more than half his original investment. Respondent asserted that contrary to Claimant's allegations, this investment is not worthless and the Claimant has not "lost all his money", in fact, Polaris has paid income distributions to Claimant as recent as January 12, 1993, thus, the claim should be dismissed.

### **RELIEF REQUESTED**

Claimant Joseph A. Ciaramella requested \$4,000.00 in actual damages.

Respondent Prudential Securities, Incorporated requested the claim be dismissed in its entirety and that they be awarded attorney's fees and costs.

### **AWARD**

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Anne Cugliani, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on December 17, 1992 and by the Respondent on March 17, 1993.

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 claim of Claimant Joseph A. Ciaramella against Respondent Prudential Securities, Incorporated is dismissed.
2. The parties shall bear their respective costs, including attorney's fees.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Joseph A. Ciaramella shall be retained by the NASD, Inc.

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AFFIRMATION

I, ANNE CUGLIANI, 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.

Anne Cugliani  
Signature of Arbitrator

DATE OF DECISION: June 29, 1993

STATE OF:

SS:

COUNTY OF:

On this 28 day of June 1993, before me personally appeared Anne Cugliani to me known and known before me to be the individual described in and who executed the foregoing instrument and she duly acknowledged to me that she executed the same.

Mark O. Glut

MARK O. GLUT  
Notary Public, State of New York  
No. 4886198  
Qualified in Queens County  
Commission Expires April 22, 1997