

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

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In the Matter of the Arbitration Between

**Name of Claimant**

John N. Sias

vs.

Award No.  
94-01376

**Name of Respondent**

Lionel Bonrassa

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**REPRESENTATION**

Claimant, John N. Sias, ("Claimant"), represented himself at the hearing.

For Respondent, Lionel Bonrassa, ("Respondent"), Bryan Killian, Esq. from the law firm of Sherin & Lodgen, located in Boston, Massachusetts.

**CASE INFORMATION**

Statement of Claim was filed on August 11, 1994.

Claimant's Submission Agreement was signed on August 6, 1994.

Statement of Answer was filed by Respondent on October 24, 1994.

Respondent's Submission Agreement was signed on November 21, 1994.

**HEARING INFORMATION**

Hearing Date/Session: August 22, 1995 - 1 session

Hearing Location: NASD offices located in Boston, Massachusetts.

**CASE SUMMARY**

Claimant alleges that while Respondent was employed by First Albany he recommended that Claimant purchase seven limited partnerships between 1985 and 1987. Claimant also alleges that at the time he purchased these limited partnerships, he was a very unsophisticated investor who relied entirely on Respondent for advice. Claimant further alleges that he informed Respondent that he wanted safe investments with little risk and that the investments would be for his

retirement. Claimant alleges that Respondent initially recommended investment vehicles that were consistent with his investment objectives but the seven limited partnership were unsuitable, risky and made up a great portion of his two Individual Retirement Accounts. Claimant also alleges that he relied on Respondent for information concerning the performance of the limited partnerships and Respondent informed him that the investments were on target for 13% return in 1993, and did not advice him to sell them.

Respondent denies each and every allegation of wrongdoing and asserts twelve affirmative defenses.

Respondent contends that it is his practice to question prospective customers about their assets, liabilities and financial objectives. Respondent also contends that Claimant refused to supply Respondent detailed answers to questions and did not provide a balance sheet. Respondent further contends that Claimant disclosed that he owned some common stock and IRA and approximately \$20,000 worth of real estate tax shelter limited partnership.

Respondent maintains that Claimant typical method of communication was in writing but that he also made monthly calls to Respondent. Respondent states that in 1984, he recommended that Claimant purchase limited partnership interests through American Finance Group and Claimant purchased \$10,000.00 interest and later purchased additional interest without Respondent's recommendation. Respondent also states that the investment was an equipment leasing limited partnership which had little tax shelter and was recommended by American Financial Group for retirement related accounts. Respondent also states that when the market for second hand equipment softened, Claimant was informed and this was the reason for the decline in value of Claimant's portfolio. Respondent further states that Claimant did not lose any money; he just did not make as much as the general partner had originally projected.

#### **RELIEF REQUESTED**

Claimant requests an award of \$48,000.

Respondent requests that the arbitration panel enter an award in his favor.

#### **OTHER ISSUES CONSIDERED & DECIDED**

The parties have agreed that the Award in this matter may be executed in counterpart and agreed to receive a conformed copy of the Award while the original remains on file with the NASD.

**AWARD**

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

1. All claims made by Claimant against Respondent are dismissed in their entirety.
2. All other claims for relief are denied.

**FORUM FEES**

Pursuant to Section 43(c) of the *Code of Arbitration Procedure*, the following Forum Fees are assessed against Claimant.

Non-refundable Filing Fee: \$120.00

Hearing Session Fee: \$400.00 (1 hearing session @ \$400.00 per session)

Total Fees = \$520.00

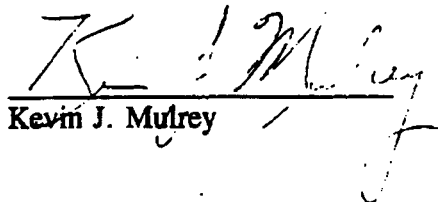
1. Claimant previously paid \$120.00 and owes a balance of \$400.00.

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

**ARBITRATION PANEL**

David E. Marsan, Esq.	-	Public Chairperson
Kevin J. Mulrey	-	Public Panelist
Stephen Brown	-	Stephen Brown

Concurring Arbitrator's Signature

  
Kevin J. Mulrey

NASD Date of Decision: October 5, 1995

**AWARD**

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

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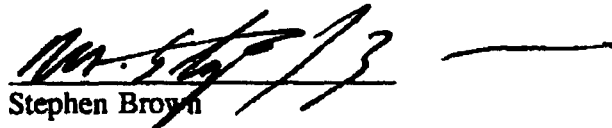
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Concurring Arbitrator's Signature

  
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NASD Date of Decision: October 5, 1995