

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Claire D. Leiner

94-02102

Name of Respondent(s)

Gilberto Rodriguez
Citicorp Investment Services

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 7, 1994, Claimant Claire D. Leiner, who appeared Pro Se, alleged that Respondent Citicorp Investment Services ("CIS") and Gilberto Rodriguez made misrepresentations in convincing her to purchase securities. Claimant further alleged that on November 10, 1993 she met with Rodriguez at the offices of CIS and purchased \$72,000.00 worth of Putnam U.S. Government Income Trust Class B. Claimant contended that Respondent represented that the back load of the Fund took five years to clear, the Fund would yield 6.9% to 7.4% if the dividends were reinvested, the principle never fluctuates, and the Fund was like a CD backed by the U.S. Government. Claimant further contended that these statements were false, causing a loss for which Respondents should be liable.

Respondents Citicorp Investments Services and Gilberto Rodriguez, through their representative, Susanne K. Rosenzweig, Esq., of New York, NY., maintained that Claimant was informed of all the risks and fees associated with her investment and received a copy of the prospectus, which Rodriguez personally went over with her. Respondents further maintained that Rodriguez informed Claimant of the risk that her principal investment and dividend distribution might decline depending on market conditions. Respondents contended that Rodriguez reviewed the contents of the "Securities Investment Acknowledgement" with Claimant which informed Claimant that share value fluctuates, past performance is no guarantee of future results and that shares in a mutual fund which owns U.S. Government Securities are not guaranteed by the U.S. Government. Respondents further contended that Rodriguez was completely honest and forthright in his dealings with Claimant and Claimant reviewed the appropriate documents for seven days before investing.

RELIEF REQUESTED

Claimant Claire D. Leiner, requested \$5,525.95 in actual damages plus \$3,600.00 in actual damages.

Respondents Citicorp Investment Services and Gilberto Rodriguez, requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Nancy J. Cliff, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on June 3, 1994 and by the Respondent Citicorp Investment Services on October 27, 1994 and by Respondent Gilberto Rodriguez on October 27, 1994.

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 Citicorp Investment Services and Gilberto Rodriguez are jointly and severally liable and shall pay to Claimant Claire D. Leiner \$9,125.00 in actual damages.
2. Respondents Citicorp Investment Services and Gilberto Rodriguez are jointly and severally liable and shall pay to Claimant Claire D. Leiner \$600.00 in interest.
3. The parties shall bear their respective costs

The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Claire D. Leiner, shall be retained by the NASD, Inc. Respondents Citicorp Investment Services and Gilberto Rodriguez are jointly and severally liable and shall pay to Claimant \$150.00 as reimbursement of the filing fee.

Affirmation

STATE OF FLORIDA

SS:

COUNTY OF DADE

I, NANCY J. CLIFF, do hereby affirm upon my oath
as arbitrator that I am the individual described in and who executed this instrument,
which is my oath and award.

Signature of Arbitrator

A large, stylized handwritten signature in black ink, consisting of several loops and a long vertical stroke, is written over a horizontal line.

DATE OF DECISION:

April 26, 1995