

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

James and Rosemary O'Connell

95-00297

Name of Respondent

Metropolitan Life Insurance Company

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 20, 1995, Claimants James and Rosemary O'Connell ("Claimants"), who appeared Pro Se, alleged that the Respondent Metropolitan Life Insurance Co. ("Met Life"), made continuing errors in reporting balances in three of five accounts, and it has made it impossible to transfer dollars from one division fund to another since June 3, 1994. Claimants further alleged that they originally transferred several certificates of deposit through Met Life to make use of its "Easy telephone system" designed to provide customers with dollar amounts daily when completing transfers or not. Claimants contended that between March and June of 1994, Met Life made several unit value errors. Claimants further contended that during this period they made numerous phone calls to Met Life, sometimes on a daily basis, to check on the accounts, to inform them of errors, and to be sure adjustments had been made. Claimants alleged that they had lost all faith in the competency of Met Life to accurately report their accounts. Claimant further alleged that as a result of the above, they have suffered a loss for which the Respondent should be held liable.

Respondent Metropolitan Life Insurance Co., through its representative and in-house counsel, Edward Baer, Esq., maintained that there were a number of unit value errors, all of which were subsequently corrected. Respondent further maintained that Rosemary O'Connell had no holdings in the account in which there were such errors. Respondent contended that the amount in dispute is only \$378.33 out of total investments of about \$186,000.00. Respondent further contended that contracts are clear in requiring surrender charges upon transfer of the Claimant's accounts to another organization. Respondent maintained that the errors involved resulted in no harm or loss to James O'Connell and that as a result of the above, it should not be held liable.

RELIEF REQUESTED

Claimants James and Rosemary O'Connell, requested \$378.33 in actual damages and that their funds be transferred to another financial company without a surrender charge.

Respondent Metropolitan Life Insurance Co., requested that the claims of the Claimant be dismissed.

AWARD

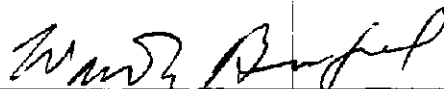
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Walter E. Beckjord, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants James and Rosemary O'Connell on March 4, 1995, and by the Respondent Metropolitan Life Insurance Co. on May 2, 1995.

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 Respondent Metropolitan Life Insurance is liable and shall pay to Claimants James and Rosemary O'Connell, \$378.33 in actual damages.
2. The Respondent Metropolitan Life Insurance is liable and shall pay to Claimants James and Rosemary O'Connell, interest at the rate of 8% per annum from June 24, 1994 to date of payment of the Award.
3. The parties shall bear their respective costs.
4. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants James and Rosemary O'Connell, shall be retained by the NASD, Inc. Respondent Metropolitan Life Insurance Co., is liable and shall pay to the Claimants James and Rosemary O'Connell, \$30.00 as reimbursement of the filing fee.
5. All other relief requests are denied.

AFFIRMATION

I, **WALTER E. BECKJORD, 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.



Walter E. Beckjord, Esq.

DATE OF DECISION: January 15, 1996

REPORT OF ARBITRATOR

The basis for not allowing transfer to another organization free of surrender charges is that no sufficient basis was established therefore.