

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Anne M. McGonagle

95-04833

Name of Respondent

Steven Tardiff

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 12, 1995, Claimant Anne M. McGonagle ("Claimant"), who appeared Pro Se, alleged that Respondent Steven Tardiff ("Respondent"), while employed by Linsco Private Ledger sold her an annuity for \$115,000.00 but told her the interest on the investment was 6.5% when in fact it was only 5.45%. Claimant further alleged that after the sale Respondent held the policy until the cancellation period expired. Claimant contended that Tardiff held the policy because he had given her an incorrect interest rate and that without the policy she would not realize the problem. Claimant further contended that she contacted the policy issuer, U.S.G. Annuity and Life Company ("USG"), and was informed that Respondent had been sent the policy 3 days after the purchase. Claimant alleged that she has been unable to get cooperation from the Respondent in this matter and that he became verbally abusive. Claimant further alleged that Respondent mishandled the a revocable trust matter by not transferring funds as she had directed. Claimant contended that as a result of the above, she has suffered a loss for which the Respondent should be held liable.

Respondent Steven Tardiff, through his representative and in-house counsel at LPL Financial Services, Jeffrey A. Lang, Esq., maintained that Claimant was issued an annuity policy with a fixed rate of 4.45% for one year with a 1% bonus to be credited after one full year, thereby realizing a 5.45% annual return. Respondent further maintained that Claimant was explained this policy and that a copy was immediately sent and then a duplicate copy was sent. Respondent contended that shortly after the second copy was sent the Claimant requested a cancellation of the policy which was denied. Respondent further contended although the 20 day period for cancellation had passed, the policy issuer granted the request but declined to pay interest earned. Respondent maintained that USG made the decision not to pay the interest, not him. Respondent further maintained that Claimant made estate planning decisions without his consent or knowledge. Respondent contended that he assisted the Claimant and was quite responsive to her communications, and that as a result of the above, he should not be held liable.

RELIEF REQUESTED

Claimant Ann M. McGonagle, requested \$2,064.02 in actual damages plus punitive damages.

Respondent Steven Tardiff, 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, Simon J. Tager, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Anne M. McGonagle, on October 6, 1995, and by the Respondent Steven Tardiff, on December 9, 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 claims of the Claimant Anne M. McGonagle, against Respondent Steven Tardiff, are denied in their entirety.
2. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Anne M. McGonagle, shall be retained by the NASD, Inc. The Respondent Steven Tardiff, shall pay to the Claimant Anne M. McGonagle, \$75.00 as reimbursement of one-half of the filing fees.

I, SIMON J. TAGER, 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.

Simon J. Tager
Simon J. Tager

DATE OF DECISION: March 5, 1996