

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Mario Denardi

95-05675

Name of Respondents

Jonathan Alan & Co.
Joseph Agugliaro

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 4, 1995, claimant Mario Denardi ("claimant"), who appeared Pro Se, alleged that respondents Jonathan Alan & Co. ("JAC") and Joseph Agugliaro ("Agugliaro") misrepresented facts related to her investment in Secured Investment Resources Fund-LP II (the "Fund"). Claimant further alleged that he is a senior citizen, living on a fixed income and was not an appropriate candidate for the Fund as it was a high risk limited partnership. Claimant also alleged that Agugliaro informed him he would receive quarterly payments for a period of 5 years, after which the principal would be returned. Claimant further alleged that he did not get the payments as promised. Claimant contended that he did not meet the suitability requirements set forth in the Fund's prospectus. Claimant further contended that as a result of the above, he has suffered a loss for which the respondents should be held liable.

Respondent Joseph Agugliaro, who appeared Pro Se, maintained that he resigned in good standing from Jonathan Alan & Co. prior to August of 1989. Respondent further maintained that the client data form submitted by claimant has a date of December 17, 1990. Respondent also maintained that claimant was a well diversified investor with the majority of his investments in conservative mutual funds which outperform the Standard & Poors index. Respondent contended that the Fund is still fully invested and quite viable and has chosen not to sell off the underlying real estate at a loss. Respondent further contended that the Fund has stayed with its objectives presented in the prospectus which the claimant received. Respondent also contended that as a result of the above, he should not be held liable.

Respondent Jonathan Alan & Co. did not file a Statement of Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant Mario DeNardi requested \$9,950.00 in actual damages.

Respondent requested that the claims be dismissed in their entirety.

OTHER ISSUES CONSIDERED AND DECIDED

The arbitrator considered and reviewed all documentation submitted by the parties concerning respondent Joseph Agugliaro's Motion to Dismiss the claims under Section 10304 (formerly Section 15) of the NASD Code of Arbitration Procedure. The arbitrator denied the request.

AWARD

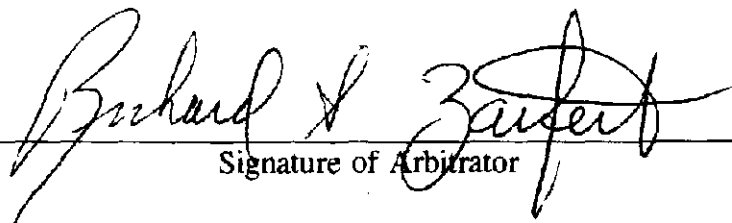
Pursuant to Section 10302 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Richard S. Zaifert, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the claimant on November 21, 1995 and by respondent Joseph Agugliaro on February 6, 1996.

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 Jonathan Alan & Co. and Joseph Agugliaro are jointly and severally liable and shall pay to the claimant Mario Denardi \$1,666.75 in actual damages.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the claimant shall be retained by the NASD, Inc. Respondents Jonathan Alan & Co. and Joseph Agugliaro are jointly and severally liable and shall pay to the claimant Mario Denardi \$75.00 as reimbursement of one-half of the filing fee.
4. All other relief requests are denied.

AFFIRMATION

I, Richard S. Zaifert, 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.


Signature of Arbitrator

DATE OF DECISION: December 5, 1996