

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant
Jacqueline Chibbaro

Case Number: 10-00100

vs.

Respondents
National Securities Corporation
Philip Thomas Quigley
Brokers International Financial Services LLC

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Customer vs. Members and Associated Person

REPRESENTATION OF PARTIES

Claimant Jacqueline Chibbaro, hereinafter referred to as "Claimant": Chad N. Cagan, Esq., Sonnenblick, Parker & Selvers, Freehold, New Jersey.

Respondent National Securities Corporation, hereinafter referred to as "National Securities Corporation": James K. Barbee, Esq., Golbeck Roth Financial Services Lawyers, PLLC, Seattle, Washington.

Respondent Philip Thomas Quigley, hereinafter referred to as "Quigley": John Fialcowitz, Esq., The Law Office of John A. Fialcowitz, LLC, Morristown, New Jersey.

Respondent Brokers International Financial Services LLC, hereinafter referred to as "Brokers International": Matthew Tracy, Esq., Winget Spadafora Schwartzberg LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: January 7, 2010.

Amended Statement of Claim filed on or about: May 24, 2011.

Jacqueline Chibbaro signed the Submission Agreement: January 2, 2010.

Statement of Answer filed by National Securities Corporation on or about: March 3, 2010.

National Securities Corporation signed the Submission Agreement: March 2, 2010.

Statement of Answer filed by Quigley on or about: March 11, 2010.
Statement of Answer to the First Amended Statement of Claim filed by Quigley on or about: June 6, 2011.
Philip Thomas Quigley signed the Submission Agreement: March 1, 2010.

Statement of Answer filed by Brokers International on or about: July 13, 2011.
Brokers International Financial Services LLC did not sign the Submission Agreement.

CASE SUMMARY

In the Statement of Claim and the Amended Statement of Claim, Claimant asserted the following causes of action: unsuitability, breach of fiduciary duty, fraud, misrepresentation, violations of the Securities Act of 1933, the Securities Exchange Act of 1934, the New Jersey Securities Act, NASD and NYSE rules, negligence, breach of contract, respondeat superior, control person liability, aiding and abetting, and failure to supervise. The causes of action relate to AIG, Wells Fargo, and National City stocks, and annuities.

Unless specifically admitted in its Answer, National Services Corporation denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in his Answers, Quigley denied the allegations made in the Statement of Claim and the First Amended Statement of Claim, and asserted various affirmative defenses.

Unless specifically admitted in its Answer, Brokers International denied the allegations made in the First Amended Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages in the amount of \$70,000.00, market adjusted damages, punitive damages, pre-judgment and post-judgment interest at the maximum rate allowed by law, attorneys' fees, and such other relief as the Panel may deem equitable, just, and necessary.

In the Amended Statement of Claim, Claimant requested compensatory damages in the amount of \$110,000.00, market adjusted damages, punitive damages, pre-judgment and post-judgment interest at the maximum rate allowed by law, attorneys' fees, costs, and such other relief as the Panel may deem equitable, just, and necessary.

National Securities Corporation requested the Statement of Claim be dismissed in its entirety with prejudice and for other relief as the Panel deems just and proper, pursuant to the Federal Arbitration Act, FINRA's Code of Arbitration Procedure or otherwise.

Quigley requested the Statement of Claim and the First Amended Statement of Claim be denied in their entirety, with prejudice, costs, attorneys' fees, and such other relief as the Panel deems just and proper, pursuant to the Federal Arbitration Act, the FINRA Code of Arbitration Procedure, or otherwise. In his Answer to the First Amended Statement of Claim, Quigley also requested expungement of his CRD records.

Brokers International requested the First Amended Statement of Claim be denied in its entirety, costs, attorneys' fees, expunging this matter from its regulatory records, forum fees, and such other and further relief as the Panel deems just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

Respondent Brokers International Financial Services LLC did not file with FINRA Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

By correspondence dated April 14, 2011, Claimant filed a Motion to Amend and Quigley objected. After due deliberation and by Order dated May 19, 2011, the Chairperson granted Claimant's Motion.

By correspondence dated August 12, 2011, Quigley filed a Motion to Dismiss Annuity based claims and requested expungement of his CRD records, and Claimant objected. After due deliberation and by Order dated January 12, 2012, Quigley's Motion to Dismiss was denied and the Panel ordered that Quigley's Motion for expungement of his CRD records will be addressed at the evidentiary hearings.

By correspondence dated February 27, 2012, Claimant notified FINRA Dispute Resolution that she settled her claims with Respondents National Securities Corporation and Brokers International, and that all claims against Respondent Quigley are dismissed with prejudice.

The Panel conducted a recorded in-person expungement hearing on July 27, 2012 so the parties could present oral argument on Quigley's request for expungement of his CRD records. Claimant did not participate in the July 27, 2012 hearing.

The Panel determined that the Claimant received due notice of the July 27, 2012 expungement hearing, and that the expungement hearing would proceed without Claimant present, in accordance with the Code of Arbitration Procedure.

The Panel reviewed the settlement documents, considered the amount of payments made to any party and any other terms and conditions of the settlements.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Philip Thomas Quigley's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that, pursuant to Notice to Members 04-16, Respondent Philip Thomas Quigley must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by FINRA, parties seeking judicial confirmation of an arbitration award containing expungement relief must name FINRA as an additional party and serve FINRA with all appropriate documents.

Pursuant to Rule 12805 of the Code, the arbitration panel has made the following Rule 2080 affirmative finding of fact:

The claim, allegation, or information is false.

The arbitration panel made the above Rule 2080 finding based on the following reasons: The preferred stock investments were consistent with the Claimant's requirements; their subsequent losses could not be readily foreseen and had to be attributed to the market crash in 2008. The Panel, after hearing testimony and reviewing documents, determined that the annuities were suitable for the Claimant. Testimony by Respondent Quigley provided answers concerning a class action brought against Aviva annuities on another matter and his reason for the recommendation. The testimony and a review of documents convinced the Panel that the annuities were a suitable investment for Claimant.

2. Brokers International's request for expungement of its regulatory records is denied.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing fee

= \$ 1,425.00

**The filing fee is made up of a non-refundable and a refundable portion.*