

ARBITRATION

NASD awards investor \$315,000

The National Association of Securities Dealers says financial planner Jim Barry said his son were negligent supervising a retired superfield Beach mememaker's investments.

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An arbitration panel awarded \$315,000 to a 71-year-old woman who said celebrity financial planner Jim Barry said his son were negligent in supervision of her investments.

Marilyn McCarthy, a Deerfield Beach retired homemaker, suffered trading losses

of almost \$220,000 out of the more than \$1 million she invested through Barry, according to her filing with the National Association of Securities Dealers Dispute Resolution.

She invested with Barry from September 1999 until June 2002.

"I said this money was all I had to last me the rest of my life," McCarthy said in a telephone interview.

McCarthy said she'd never handled investments before she received a large divorce settlement in 1997.

When her portfolio began sinking, "I was terrified," she

said.

"I could see myself living over in the park with the homeless," she said.

McCarthy's money was put into 18 mutual funds, primarily growth and growth-and-income funds, according to the filing. She says there were no bonds in her portfolio.

"Having all of her money in stocks was not appropriate for her," Jeffrey Sonn, McCarthy's attorney from the Fort Lauderdale firm Sonn & Erez. Sonn argued that the arbitration panel should compensate McCarthy for what would have been her investment earnings had her portfolio

been "well managed."

Her claim sought \$345,000 in compensatory damages.

She made her claim against Asset Management Securities Corp., which is a broker dealer. Barry and son James Michael Barry are listed in the arbitration filings as employees of Asset Management.

The company is controlled by Barry, his attorney said. Barry's better-known firm is Barry Financial Group, based in Boca Raton.

Notice of the award reached McCarthy on Monday.

The NASD said Asset Management was found liable for

breach of fiduciary duty, negligence and negligent supervision.

Barry's executive assistant, reached by telephone, said he would have no comment.

"We are very disappointed at the award, the size of the award," said Barry's attorney, Leonard Bloom at Broad & Cassel in Miami. "We feel the award was not justified."

He said he and Barry will explore their options, which include appealing the case through state or federal courts.

Barry, who lives in a Highland Beach mansion assessed at \$5.4 million, is well known for his Sunday morning televi-

sion appearances.

His public television show, *Jim Barry's Financial Success*, airs in South Florida on West Palm Beach's WXEL-PBS 42. Barry's website lists 20 other public stations nationwide that also broadcast the show.

In addition, Barry Financial's website indicates Barry's *Talk About Money* is aired live to 3 million households that have satellite dish service, as well as more than 2 million others through Fox TV stations in South Florida and Comcast cable channels.

Herald business writer Patrick Danner contributed to this report.