

**Award**  
**FINRA Dispute Resolution**

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In the Matter of the Arbitration Between:

John Doe (Claimant) vs. ABC Securities (Respondent)

Case Number: 10-99999

Hearing Site: New York, NY

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Nature of the Dispute: Customer vs. Member

Claimant John Doe, hereinafter referred to as "Claimant": Attorney Claimant, Esq., Claimant Law Firm, New York, NY.

Respondent ABC Securities, hereinafter referred to as "Respondent": Attorney Respondent, Esq., Respondent Law Firm, New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: November 1, 2010.  
Claimant signed the Submission Agreement: November 1, 2010.

Statement of Answer filed on or about: December 12, 2010.  
Respondent signed the Submission Agreement: December 12, 2010.

**CASE SUMMARY**

Claimant asserted the following causes of action: violation of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, suitability, breach of fiduciary duty, negligent failure to supervise, and fraud. The causes of action relate to unspecified securities.

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

**RELIEF REQUESTED**

In the Statement of Claim, Claimant requested compensatory damages in the amount of \$150,000.00, lost income under the "well managed portfolio" theory of recovery, punitive damages, interest, attorneys' fees, costs of this suit, and any other relief that is just, fair and equitable.

Respondent requested dismissal of the Statement of Claim in its entirety, that the cost of this proceeding, including attorneys' fees, be assessed against Claimant.

**OTHER ISSUES CONSIDERED AND DECIDED**

The Panel acknowledges that they have each read the pleadings and other materials filed by the parties.

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. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$50,000.00.
2. Respondent is liable for and shall pay to Claimant interest at the rate of 6% per annum from November 1, 2010 to June 30, 2011.
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.*

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, ABC Securities is assessed the following:

Member surcharge = \$1,700.00

Prehearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

April 19-21, 2011 adjournment by Claimant WAIVED

#### **Contested Motion for Issuance of a Subpoena Fees**

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) Decision on a contested motion for the issuance of a subpoena

(1) one arbitrator @ \$200.00 = \$200.00

Total Contested Motion for Issuance of Subpoenas Fees = \$200.00

1. The Panel has assessed \$100.00 of the contested motion for issuance of subpoenas fees to Claimant.
2. The Panel has assessed \$100.00 of the contested motion for issuance of subpoenas fees to Respondent.

**Hearing Session Fees and Assessments**

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Prehearing session with a single Arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: March 1, 2011	1 session
Two (2) Prehearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conferences: January 10, 2011	1 session
April 1, 2011	1 session
Six (6) Hearing sessions @ \$1,125.00	= \$6,750.00
Hearing Dates: June 27, 2011	2 sessions
June 28, 2011	2 sessions
June 29, 2011	2 sessions
<hr/> Total Hearing Session Fees	<hr/> = \$9,450.00

1. The Panel has assessed \$4,725.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$4,725.00 of the hearing session fees to Respondent.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

**ARBITRATION PANEL**

Arbitrator Charles - Public Arbitrator, Presiding Chairperson  
Arbitrator Smith - Public Arbitrator  
Arbitrator Jones - Non-Public Arbitrator

**Arbitrators' Signatures**

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Arbitrator Charles  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Arbitrator Smith  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Arbitrator Jones  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution use only)