

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

DTI Financial, Inc.

and

Case Number: 04-02421
Hearing Site: Houston, Texas

Names of Respondents

A I M Distributors, Inc., and
A I M Management Group, Inc.

NATURE OF DISPUTE

Terminated Member v. Member and Non-Member

REPRESENTATION OF PARTIES

DTI Financial, Inc. ("Claimant") was represented by Ali S. Ahmed, Esq., Ali S. Ahmed, P.C. Houston, Texas.

A I M Distributors, Inc. ("A I M Distributors") and A I M Management Group, Inc. ("A I M Management") hereinafter collectively referred to as "Respondents", were represented by Charles Jason Rother, Esq., Fulbright & Jaworski, L.L.P., Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about April 6, 2004. The Submission Agreement of Claimant, DTI Financial, Inc., was signed by Deepak Gulati, on or about April 3, 2004. Claimant's Response to Respondents' Motion to Dismiss was filed on or about May 12, 2005. Claimant's Surreply to Respondents' Reply to Claimant's Response to Respondents' Motion to Dismiss and Motion for Summary Judgment was filed on or about May 31, 2005.

Statement of Answer was filed jointly by Respondents on or about January 13, 2005. The Submission Agreement of A I M Distributors was signed on or about January 7, 2005. A I M Management Group did not file a Submission Agreement.

Respondents' Motion to Dismiss was filed on or about April 27, 2005. Respondents' Reply to Claimant's Response to Respondents' Motion to Dismiss was filed on or about May 19, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; unfair competition; business disparagement; unjust enrichment; misappropriation of confidential and proprietary information; breach of contract; negligent misrepresentation; intentional misrepresentation; fraud; and conversion of unpaid brokerage fees and commissions. Claimant alleged that Respondents stopped paying Rule 12b-1 fees and brokerage commissions owed to it for the period beginning July 1992 and ending March 2001.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: DTI lacked standing and/or capacity to bring claims in this matter; pursuant to Rule 12b-1 under the Investment Company Act of 1940, AIM is prohibited from paying any 12b-1 fees without a valid written agreement; and pursuant to Rule 12b-1 under the Investment Company Act of 1940, assignment of a written agreement to pay 12b-1 fees is prohibited and invalidates the written agreement.

RELIEF REQUESTED

Claimant requested an award in the amount of \$258,334.15 in compensatory damages, \$4,000,000.00 in punitive damages, \$194,027.42 in pre-judgment interest, post-judgment interest, their costs and attorneys' fees and all other relief, in law and equity, to which DTI may be entitled. Claimant also requested that all fees associated with this claim be waived.

Respondents requested that the claims asserted against them be denied in their entirety and all other just relief the panel deemed appropriate.

OTHER ISSUES CONSIDERED & DECIDED

After hearing oral arguments on the outstanding motions, the panel denies Claimant's Motion for Summary Judgment and grants Respondents' Motion to Dismiss the claim with prejudice herein.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims, each and all, against Respondents, A I M Distributors, Inc. and A I M Management Group, Inc., are dismissed in their entirety with prejudice;
- 2) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 3) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fees for each claim:

Initial claim filing fee = \$2,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firms are DTI Financial, Inc., and A I M Distributors, Inc.

Member surcharge = \$2,800.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$5,000.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

Two (2) Pre-hearing sessions with panel x \$1,200.00	= \$2,400.00
Pre-hearing conferences: March 23, 2005 1 session	
June 7, 2005 1 session	
<hr/> Total Forum Fees	<hr/> = \$2,400.00

The Arbitration Panel has assessed \$2,400.00 of the forum fees to DTI Financial, Inc.

Fee Summary

Claimant, DTI Financial, Inc., is liable for:

Initial Filing Fee	= \$ 2,000.00
Member Fees	= \$ 5,750.00
Forum Fees	= \$ 2,400.00
<hr/> Total Fees	<hr/> = \$10,150.00
Less payments	= \$ 3,200.00
<hr/> Balance Due NASD Dispute Resolution	<hr/> = \$ 6,950.00

Respondent, A I M Distributors, Inc., is liable for:

Member Fees	= \$ 8,550.00
<hr/> Total Fees	<hr/> = \$ 8,550.00
Less payments	= \$ 3,550.00
<hr/> Balance Due NASD Dispute Resolution	<hr/> = \$ 5,000.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

James P. Hoefling - Public Arbitrator, Presiding Chair
Raymond C. Kerr, Esq. - Public Arbitrator
James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:

/s/ James P. Hoefling
James P. Hoefling
Public Arbitrator, Presiding Chair

06/22/05
Signature Date

/s/ Raymond C. Kerr, Esq.
Raymond C. Kerr, Esq.
Public Arbitrator

06/21/05
Signature Date

/s/ James M. Alexander
James M. Alexander
Non-Public Arbitrator

06/23/05
Signature Date

06/23/05
Date of Service (For NASD office use only)

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ARBITRATION PANEL

James P. Hoefling - Public Arbitrator, Presiding Chair
Raymond C. Kerr, Esq. - Public Arbitrator
James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:

James P. Hoefling
James P. Hoefling
Public Arbitrator, Presiding Chair

6-22-05
Signature Date

Raymond C. Kerr, Esq.
Raymond C. Kerr, Esq.
Public Arbitrator

Signature Date

James M. Alexander
James M. Alexander
Non-Public Arbitrator

Signature Date

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6/21/05
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Public Arbitrator

Signature Date



James M. Alexander
Non-Public Arbitrator

6-23-05

Signature Date

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