

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant

William M. Fitzpatrick

Case Number: 04-03039

Names of the Respondents

AXA Advisors, L.L.C.

Karr Barth Associates Inc.

Matthew Frisch

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Customer v. Member, Non-Member, and Associated Person.

REPRESENTATION OF PARTIES

Claimant, William M. Fitzpatrick, hereinafter referred to as "Claimant", was represented by Nicholas J. Guiliano, Esq., The Guiliano Law Firm, P.C., Philadelphia, Pennsylvania.

Respondents, AXA Advisors, LLC, ("AXA") and Karr Barth Associates, Inc. ("Karr Barth"), hereinafter referred to as "Respondents AXA and Karr Barth", were represented by Eileen Stassa, Esq., Vice-President and General Counsel for AXA, New York, New York.

Respondent Matthew Frisch, hereinafter referred to as "Respondent Frisch", was represented by Andrew W. Davitt, Esq., and Jeffrey J. Chomko, Esq., Marshall, Dennehey, Warner, Coleman & Goggin, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on April 23, 2004.

Claimant signed the Uniform Submission Agreement on March 10, 2004.

Respondents AXA and Karr Barth Associates, Inc. filed a Response to the Statement of Claim on June 18, 2004.

A representative of Respondent AXA executed the Uniform Submission Agreement on June 21, 2004.

Respondent Karr Barth did not file a signed Uniform Submission Agreement.

Respondent Frisch filed an Answer, Motion to Dismiss, Affirmative Defenses and Motion for a More Specific Statement of Claim on July 19, 2004.

Respondent Frisch signed the Uniform Submission Agreement on July 15, 2004.

Claimant filed a Memorandum in Opposition to Respondent Frisch's Motion to Dismiss on August 3, 2004.

CASE SUMMARY

Claimant asserted the following causes of action in his Statement of Claim, among others: unsuitability, misrepresentation, violation of the Unfair Trade Practices and Consumer Protection Law ("UTPCPL"), violation of Federal Securities laws, breach of fiduciary duty, failure to supervise and fraud. These claims relate to Claimant's purchase of unspecified mutual funds with respect to his IRA rollover account in the spring of 2000. Claimant maintains that the

mutual funds recommended by the broker were unsuitable, given his moderate level of risk tolerance, level of assets, retired status, and goals and objectives.

Unless specifically admitted in their Answer, Respondents AXA and Karr Barth denied the allegations contained in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief could be granted; proper supervision; ratification; waiver; estoppel; market loss; assumption of risk; failure to exercise due care and diligence, and contributory and/or comparative negligence.

Unless specifically admitted in his Answer, Respondent Frisch denied the allegations contained in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; ratification; Claimant's claims are barred by the applicable statutes of limitations; assumption of risk; contributory and/or comparative negligence; Claimant's claims are barred by the doctrines of laches or unclean hands; and failure to mitigate damages.

RELIEF REQUESTED

Claimant requested the following damages:

Compensatory Damages	\$ 125,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Interest	amount unspecified
Other Costs	amount unspecified

Respondents AXA and Karr Barth requested that the Statement of Claim be dismissed in its entirety, that Respondents be reimbursed their costs and reasonable attorneys' fees, and such other and further relief as the Arbitration Panel (the "Panel") deem just and appropriate.

Respondent Frisch requested that the Statement of Claim be dismissed in its entirety, that Respondent be reimbursed his costs and reasonable attorneys' fees, and that an Order be entered directing the expungement of any reference to these matters from Respondent, Matthew Frisch's records maintained at the NASD's Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Karr Barth did not file with NASD Dispute Resolution, a properly executed submission to arbitration 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.

The parties reached a settlement on this matter on August 5, 2005, and agreed to resolve all outstanding claims and issues between the parties. The parties submit this Stipulated Award for the Arbitrators' consideration and request that it be entered. The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The above-listed parties have amicably resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent, Matthew Frisch's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Frisch must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The Arbitrators find that:
 - 1) the claim, allegation or information is factually impossible or clearly erroneous;
 - 2) the registered person was not involved in the alleged investment related assets practice violation, forgery, theft, misappropriation or conversion of funds; and
 - 3) the claim, allegation or information is false.
4. The parties shall bear their respective costs, including attorneys' fees, except for those Fees that are specifically addressed below; and
5. Any and all relief not specifically addressed herein, including punitive damages are denied in their entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 300.00

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(s) at the time of the events giving rise to the dispute. Accordingly, Respondent AXA is a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

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

One (1) Pre-hearing session with a single arbitrator @ \$ 450.00 = \$ 450.00
Pre-hearing conference: March 25, 2005 1 session

One (1) Pre-hearing session with Panel @ \$ 1,125.00 = \$ 1,125.00
Pre-hearing conference: November 11, 2004 1 session

Total Forum Fees = \$ 1,575.00

1. The Panel has assessed \$ 787.50 of the forum fees to Claimant.
2. The Panel has assessed \$ 787.50 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 787.50</u>
Total Fees	= \$ 1,087.50
<u>Less payments</u>	<u>= \$ 1,450.00</u>
Refund owed to Claimant	= \$ 362.50

Respondent, AXA, is assessed and shall pay:

<u>Member Fees</u>	<u>= \$ 5,200.00</u>
Total Fees	= \$ 5,200.00
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

Respondents, AXA, Karr Barth, and Frisch, are jointly and severally assessed and shall pay:

<u>Forum Fees</u>	<u>= \$ 787.50</u>
Total Fees	= \$ 787.50
<u>Less payments</u>	<u>= \$ 00.00</u>
Balance Due NASD Dispute Resolution	= \$ 787.50

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

ARBITRATION PANEL

John W. Lear	-	Public Arbitrator, Presiding Chairperson
Demetrio S. Timban, Jr., Esq.	-	Public Arbitrator, Panelist
John W. Engelskirger	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

John W. Lear
Public Arbitrator, Presiding Chairperson

Signature Date



Demetrio S. Timban, Jr., Esq.
Public Arbitrator, Panelist

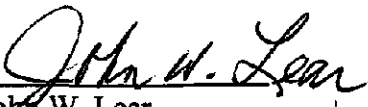
10/25/05
Signature Date

John W. Engelskirger
Non-Public Arbitrator, Panelist

Signature Date

November 2, 2005
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures



John W. Lear
Public Arbitrator, Presiding Chairperson

10/15/05

Signature Date

Demetrio S. Timban, Jr., Esq.
Public Arbitrator, Panelist

Signature Date

John W. Engelskirger
Non-Public Arbitrator, Panelist

Signature Date

November 2, 2005

Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

John W. Lear
Public Arbitrator, Presiding Chairperson

Signature Date

Demetrio S. Timban, Jr., Esq.
Public Arbitrator, Panelist

Signature Date


John W. Engelskirger
Non-Public Arbitrator, Panelist

Signature Date

I decline to sign *November 2, 2005*
Date of Service (For NASD Dispute Resolution office use only)

PE *10/12/05*