

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Evelyn L. (Keller) Sullivan (Claimant) v. Paul R. Mata, IDS Life Insurance Company, and American Express Financial Advisors, Inc. (Respondents)

Case Number: 04-03057

Hearing Site: Boston, Massachusetts

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

REPRESENTATION OF PARTIES

Claimant Evelyn L. (Keller) Sullivan, hereinafter referred to as "Claimant":
Richard W. Kearney, Esq., Kearney & Associates, Rockland, MA.

Respondents American Express Financial Advisors, Inc., ("AEFA"), IDS Life Insurance Company ("IDS"), and Paul R. Mata ("Mata"), hereinafter collectively referred to as "Respondents": Louis Ciavarra, Esq., Bowditch & Dewey, LLP, Worcester, MA. Previously represented by Kimberly A. Stone, Bowditch & Dewey, LLP, Worcester, MA.

CASE INFORMATION

Statement of Claim filed on or about: April 22, 2004.

Claimant signed the Uniform Submission Agreement: August 27, 2004.

Joint Statement of Answer filed by Respondents on or about: October 13, 2004.

AEFA signed the Uniform Submission Agreement: August 18, 2004.

IDS signed the Uniform Submission Agreement.

Mata signed the Uniform Submission Agreement: August 18, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty, suitability, omissions, charged fees inconsistent with proper duties, failure to comply with the Certified Financial Planner Board of Standards, failure to comply with the standards for forwarding proxy and other materials, failure to comply with standards applicable to transactions with customers as to suitability and fair dealing, failure to comply with standards applicable to charges for services, prices, commissions and mark-ups, and account statements.

Claimant's claims involve AEFA and IDS products, including annuities and insurance policies, flexible savings products, a REIT, a Cash Management Fund, and a Payout Option.

Unless specifically admitted in their Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award against the Respondents equal to minimal out-of-pocket damages, plus a refund of all commissions earned on unauthorized trades, plus the costs of these proceedings, expenses attributable to these proceedings, attorneys' and experts' fees, and all consequential damages and losses suffered by Claimant as a direct and/or proximate result of the conduct of Respondents. In addition, Claimant requested unspecified punitive damages, as well as any other relief that the arbitration panel determines to be equitable and just.

Respondents requested that the Panel dismiss the Statement of Claim, with prejudice, and award it all of its reasonable costs and expenses, including attorneys' fees and forum fees, and such other and further relief as the Panel may deem just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, Respondents filed a Partial Motion to Dismiss, and Claimant submitted her Opposition. During the hearing, after due deliberation, the Panel granted the Motion such that all claims relating to the purchase of insurance or annuities products covered under the class action suit were dismissed.

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. Claimant's claims are denied in their entirety.
2. 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

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

Initial claim filing fee = \$ 250.00

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 persons at the time of the events giving rise to the dispute. Accordingly, American Express Financial Advisors and IDS Life Insurance Company are parties.

Member surcharge = \$1,500.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$2,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 13-15, 2005 adjournment by Respondents = \$1,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 a single arbitrator @ \$450.00 = \$ 900.00
Pre-hearing conferences: May 17, 2005 1 session
October 30, 2006 1 session

One (1) Pre-hearing session with Panel @ \$1,000.00 = \$1,000.00
Pre-hearing conference: December 21, 2004 1 session

Six (6) Hearing sessions @ \$1,000.00 = \$ 6,000.00
Hearing Dates: November 1, 2006 2 sessions
November 2, 2006 2 sessions
November 3, 2006 2 sessions

Total Forum Fees = \$7,900.00

1. The Panel has assessed \$7,900.00 of the forum fees against Claimant.

Fee Summary


1. Claimant is solely liable for:	
Initial Filing Fee	= \$ 250.00
Forum Fees	= \$7,900.00
Total Fees	= \$8,150.00
<u>Less payments</u>	= \$1,250.00
Balance Due NASD Dispute Resolution	= \$6,900.00
2. Respondent AEFA is solely liable for:	
Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
<u>Less payments</u>	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondent IDS is solely liable for:	
Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
<u>Less payments</u>	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00
4. Respondents are jointly and severally liable for:	
Adjournment Fee	= \$1,000.00
Total Fees	= \$1,000.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,000.00

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

ARBITRATION PANEL

Susan Largay Dean	-	Public Arbitrator, Presiding Chairperson
Arthur J. Giacomarra, Esq.	-	Public Arbitrator
Robert W. Crook	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Susan Largay Dean
Public Arbitrator, Presiding Chairperson

11/7/06

Signature Date

Arthur J. Giacomarra, Esq.
Public Arbitrator

Signature Date

Robert W. Crook
Non-Public Arbitrator

Signature Date

November 9, 2006

Date of Service (For NASD Dispute Resolution use only)


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Arthur J. Giacomarra, Esq.	-	Public Arbitrator
Robert W. Crook	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Susan Largay Dean
Public Arbitrator, Presiding Chairperson

Signature Date



Arthur J. Giacomarra, Esq.
Public Arbitrator



Signature Date

Robert W. Crook
Non-Public Arbitrator

Signature Date

November 9, 2006

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Susan Largay Dean
Public Arbitrator, Presiding Chairperson

Signature Date

Arthur J. Giacomarra, Esq.
Public Arbitrator

Signature Date



Robert W. Crook
Non-Public Arbitrator

Nov 7, 2006

Signature Date

November 9, 2006
Date of Service (For NASD Dispute Resolution use only)