

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Spelman & Co., Inc. n/k/a AIG Financial Advisors, Inc., Claimant v. Anthony J. Arcidiacono, Respondent

Anthony J. Arcidiacono, Counter-Claimant v. Spelman & Co., Inc. n/k/a AIG Financial Advisors, Inc., Counter-Respondent

Case Number: 05-02938

Hearing Site: San Diego, California

Nature of the Dispute: Member v. Associated Person

Associated Person v. Member

REPRESENTATION OF PARTIES

For Claimant/Counter-Respondent

Spelman & Co., Inc. n/k/a
AIG Financial Advisors, Inc.
("AIG");

John K. Fahey, Esq.
AIG Financial Advisors, Inc.
Phoenix, Arizona

For Respondent/Counter-Claimant

Anthony J. Arcidiacono ("Arcidiacono");

Anthony J. Arcidiacono
In Propria Persona
Carlsbad, California

CASE INFORMATION

Statement of Claim filed by AIG Financial Advisors, Inc.: June 3, 2005

Statement of Answer and Counterclaim filed by Anthony J. Arcidiacono:
October 26, 2005

Statement of Answer to Counterclaim filed by AIG Financial Advisors, Inc.:
December 6, 2005

AIG Financial Advisors, Inc.'s Uniform Submission Agreement signed: June 3, 2005

Anthony J. Arcidiacono's Uniform Submission Agreement signed: Not dated

CASE SUMMARY

In its Statement of Claim, AIG alleged breach of promissory note.

In his Statement of Answer, Arcidiacono denied the allegations of wrongdoing set forth in the Statement of Claim.

In his Counterclaim, Arcidiacono alleged wrongful termination and failure to refund a business office deposit.

In its Statement of Answer to Arcidiacono's Counterclaim, AIG denied the allegations of wrongdoing and asserted various affirmative defenses.

RELIEF REQUESTED

In its Statement of Claim, AIG requested \$13,131.80 in damages, interest at the legal rate, and costs, including attorney's fees.

In his Statement of Answer, Arcidiacono requested dismissal of the Statement of Claim and costs.

In his Counterclaim, Arcidiacono requested \$16,000.00 in damages.

In its Statement of Answer to Arcidiacono's Counterclaim, AIG requested dismissal of the Counterclaim and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Arcidiacono did not appear at the hearing. Attempts to reach him by telephone at the commencement of the hearing were unsuccessful. The Arbitrator found that Arcidiacono was properly served with the Statement of Claim and that Arcidiacono not only filed a Statement of Answer but a Counterclaim as well. The Arbitrator also found that Arcidiacono received due notice of the date, time, and place of the hearing. The Arbitrator determined that arbitration of the matter would proceed without Arcidiacono present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

The parties 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, testimony, and evidence presented at the hearing, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

- 1) Anthony J. Arcidiacono is liable to and shall pay AIG the sum of \$32,803.29 in compensatory damages.
- 2) Anthony J. Arcidiacono's Counterclaim is dismissed with prejudice.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

AIG Financial Advisors, Inc.'s Initial claim filing fee	= \$750.00
Anthony J. Arcidiacono's Counterclaim filing fee	= \$125.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Spelman & Co., Inc. n/k/a AIG Financial Advisors, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$425.00
Total Member Fees	= \$425.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing session with the Arbitrator@ \$450.00/session	= \$450.00
Pre-hearing conferences: December 9, 2005	1 session
One (1) Hearing sessions @ \$450.00/session	= \$450.00
Hearing: May 25, 2006	1 session
Total Forum Fees	= \$900.00

The Panel assessed the entire balance of the forum fees, in the amount of \$900.00, to Anthony J. Arcidiacono.

Fee Summary

1. AIG Financial Advisors, Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 750.00
Member Fees	= \$ 425.00
Total Fees	= \$1,175.00
Less payments	=\$(1,625.00)
Refund Due from NASD Dispute Resolution	= \$ (450.00)

2. Anthony J. Arcidiacono is charged with the following fees and costs:

Counterclaim Filing Fee	= \$ 125.00
Forum Fees	= \$ 900.00
Total Fees	= \$ 1,025.00
Less payments	=\$ (0.00)
Balance Due to NASD Dispute Resolution	= \$ 1,025.00

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