
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Jane Bakalor Revocable Living Trust

Case Number: 05-03266

Names of the Respondents

GunnAllen Financial, Inc.

Brian Velten

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Jane Bakalor Revocable Living Trust, hereinafter referred to as "Claimant": Nicholas J. Taldone, Esq., Clearwater, Florida.

For GunnAllen Financial, Inc. ("GunnAllen") and Brian Velten ("Velten"), hereinafter collectively referred to as "Respondents": Joseph T. King, Esq., Williams Schifino Mangione & Steady, P.A., Tampa, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 28, 2005.

Claimant signed but did not date the Uniform Submission Agreement.

Statement of Answer and Motion to Dismiss filed by Respondents on or about: November 14, 2005.

Respondent GunnAllen signed the Uniform Submission Agreement: December 16, 2005.

Respondent Velten did not file an executed Uniform Submission Agreement.

Notice of Partial Dismissal filed by Claimant on or about: July 18, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of fiduciary duty; 2) violation of New York Stock Exchange rules; 3) violation of NASD Rules 2110, 2120, 2310 and 3010; 4) breach of contract; 5) failure to supervise; 6) misrepresentation; 7) omission; 8) fraud; and 9) negligence. The causes of action relate to the performance of certain variable annuities in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: 1) actual damages, not more than \$30,000.00; 2) statutory legal interest; 3) lost opportunity costs; 4) model portfolio damages; 5) other compensatory damages; 6) costs of the arbitration proceeding; 7) filing fees; 8) forum fees; and 9) such other relief as the undersigned arbitrators ("the Panel") deemed proper.

Respondents requested: 1) that Claimant's claims be dismissed with prejudice; 2) costs; and 3) expungement of all references to this arbitration from Respondents' NASD Central Registration Depository ("CRD") records on the basis that the claims are frivolous and without merit.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Velten did not file with the NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code"), and having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about January 25, 2006, Claimant notified NASD Dispute Resolution that the parties had fully and finally settled all claims by and between them and that a proposed Stipulated Award was forthcoming.

On or about February 9, 2006, the parties jointly filed with NASD Dispute Resolution a proposed Stipulated Award with a Stipulated Request for Expungement of the NASD CRD records of Respondent Velten, in which the parties stipulated as follows:

1. After discovery, it was determined that the Statement of Claim, though filed in good faith and without any intent to harm any person's reputation, contained allegations that were clear error and factually erroneous pursuant to NASD Rule 2130(b)(1)(A).
2. Claimant agrees that Respondent Velten's Form U-4 and any other NASD CRD record should have all references expunged, based on a variety of factors, including, but not limited to, the absence of specific evidence of wrongdoing and clear error in naming Respondent Velten pursuant to a prior Settlement Agreement in NASD Case No. 04-01325.
3. Said expungement would have no material effect on investor protection, the integrity of the NASD CRD system or regulatory requirements.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a signed, handwritten Stipulated Award may be entered.

AWARD

After considering the pleadings and the Stipulated Request for Expungement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims are denied in their entirety.

The Panel recommends the expungement of all references to the above captioned arbitration, from Respondent Velten's Form U-4 and any other NASD CRD records maintained by the NASD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Velten must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the Panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

Any and all claims for relief not specifically addressed herein, are 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 = \$150.00

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 firm GunnAllen is a party.

Member surcharge	= \$ 600.00
<u>Pre-hearing process fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$1,350.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were granted in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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:

No forum fees were incurred in this matter.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to: additional copies of arbitrator awards; copies of audio transcripts; retrieval of documents from archives; interpreters; and, security.

No administrative costs were incurred in this matter.

Fee Summary

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 150.00
<u>Total Fees</u>	= \$ 150.00
<u>Less payments</u>	= \$ 150.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent GunnAllen is solely liable for:

<u>Member Fees</u>	= \$ 1,350.00
<u>Total Fees</u>	= \$ 1,350.00
<u>Less payments</u>	= \$ 1,350.00
Balance Due NASD Dispute Resolution	= \$ 0.00

ARBITRATION PANEL

Ronald W. Devoe	-	Public Arbitrator, Presiding Chairperson
Thomas J. Patka, Esq.	-	Public Arbitrator
Audrey Belitz Rauchway, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

Ronald W. Devoe
Public Arbitrator, Presiding Chairperson

02/28/06

Signature Date

/s/

Thomas J. Patka, Esq.
Public Arbitrator

02/21/06

Signature Date

/s/

Audrey Belitz Rauchway, Esq.
Non-Public Arbitrator

02/23/06

Signature Date

March 1, 2006

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

Concurring Arbitrators' Signatures



Ronald W. Devoe
Public Arbitrator, Presiding Chairperson

February 28, 2006

Signature Date

Thomas J. Patka, Esq.
Public Arbitrator

Signature Date

Audrey Belitz Rauchway, Esq.
Non-Public Arbitrator


Signature Date

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

Concurring Arbitrators' Signatures

Ronald W. Devoe
Public Arbitrator, Presiding Chairperson

Signature Date



Thomas J. Patka, Esq.
Public Arbitrator

2/21/06

Signature Date

Audrey Belitz Rauchway, Esq.
Non-Public Arbitrator

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2/23/06

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