

Award

NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Gwendolyn and Robert Faulk

Case Number: 05-03468

Name of the Respondent

Financial Investment Analysts, Inc.

Hearing Site: Pittsburgh, Pennsylvania

Nature of the Dispute: Customers vs. Member.

REPRESENTATION OF PARTIES

Claimants, Gwendolyn and Robert Faulk, hereinafter collectively referred to as "Claimants", were represented by Brian J. Sommer, Esq., Hergenroeder Rega and Sommer, L.L.C., Pittsburgh, Pennsylvania.

Respondent, Financial Investment Analysts, Inc. ("FIA"), did not enter an appearance in this matter.

DATE FILED

Statement of Claim filed on March 30, 2005.

CASE SUMMARY

Claimants alleged: breach of contract; breach of duty of care; and violation of Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-1, *et seq.* Claimants' claim involved the purchase of shares in AIM and Putnam mutual funds.

RELIEF REQUESTED

Claimants in their Statement of Claim requested compensatory damages in the amount of \$242,929.88, treble damages, and attorneys' fees.

Initially, Claimants' claims against Respondent FIA were arbitrated in NASD Arbitration Case Number 05-01579. By letter dated June 30, 2005, Claimants opted to proceed against Respondent FIA pursuant to Rule 10314(e) of the NASD Code of Arbitration Procedure (the "Code"). The claims against Respondent FIA were bifurcated from Case Number 05-01579 because Respondent FIA failed to file an Answer. The arbitrator determined that Respondent FIA was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent FIA is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

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AWARD

The undersigned Arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable and shall pay to Claimants \$244,929.88 in compensatory damages plus \$122,464.94 under the Pennsylvania Unfair Trade Practices and Consumer Protection Law, 73 P.S. § 201-1, *et seq.*;
2. All requests for attorneys' fees are denied;
3. Any and all relief not specifically addressed herein is denied in its entirety.

SOLE ARBITRATOR

Michael R. Stabile, Jr.

Sole Public Arbitrator

Michael R. Stabile, Jr.
Michael R. Stabile, Jr.

10-21-05
Signature Date

10/25/5

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