

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimants

Antone Araman
Maryann Araman

Case Number: 12-02526

vs.

Respondents

Joseph Gunnar & Co., LLC
Fida F. Rahman a/k/a Frank Rahman

Hearing Site: Philadelphia, Pennsylvania

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

This case was decided by a majority-public panel.

REPRESENTATION OF PARTIES

Claimants Antone Araman ("A. Araman") and Maryann Araman ("M. Araman"), hereinafter collectively referred to as "Claimants": Glenn S. Gitomer, Esq., McCausland Keen & Buckman, Radnor, Pennsylvania.

Respondent Joseph Gunnar & Co. LLC ("Gunnar"): John E. Lawlor, Esq., Mineola, New York.

Respondent Fida F. Rahman a/k/a Frank Rahman ("Rahman") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: July 9, 2012.

Antone Araman signed the Submission Agreement: June 28, 2012.

Maryann Araman signed the Submission Agreement: June 28, 2012.

Statement of Answer filed by Respondent Gunnar on or about: September 12, 2012.

Gunnar signed the Submission Agreement: August 30, 2012.

Rahman did not submit a Statement of Answer or a Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty, breach of contract, unsuitability, churning, violation of the Unfair Trade Law, violation of FINRA Rules, negligence, and failure to supervise. The causes of action relate to various securities.

Unless specifically admitted in its Answer, Gunnar denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested compensatory damages in the amount of \$895,837.23 plus interest, treble damages in the amount of \$2,687,511.69, punitive damages in the amount of \$250,000.00, reimbursement for commissions and charges, attorneys' fees, costs, and such other relief as the Panel deems appropriate.

At the close of the hearing, Claimants requested damages in the amount of \$1,167,674.07.

Respondent Gunnar requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

Respondent Rahman did not file with FINRA Dispute Resolution properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

On or about February 27, 2013, Claimants notified FINRA Dispute Resolution that they withdrew their claims against Respondent Rahman.

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. Respondent Gunnar is liable for and shall pay to Claimants compensatory damages in the amount of \$650,772.55 plus interest at the rate of 6% per annum from July 9, 2012 until the date of the award.
2. Respondent Gunnar is liable for and shall pay to Claimants costs for expert fees in the amount of \$15,000.00 and for out-of-pocket expenses in the amount of \$8,257.71.
3. Any and all relief not specifically addressed herein, including punitive and treble damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing Fee	= \$ 1,800.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Joseph Gunnar & Co., LLC is assessed the following:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,000.00

Hearing Session Fees and Assessments

The Panel has assessed hearing session 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:

One (1) Pre-hearing session with a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: April 29, 2013	1 session

One (1) Pre-hearing session with the Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference: December 4, 2012	1 session

Thirteen (13) Hearing sessions @ \$1,200.00	= \$15,600.00
Hearing Dates:	
June 10, 2013	2 sessions
June 11, 2013	2 sessions
June 12, 2013	2 sessions
June 13, 2013	2 sessions
June 14, 2013	2 sessions
November 7, 2013	2 sessions
November 14, 2013	1 session

Total Hearing Session Fees	= \$17,250.00
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1. The Panel has assessed \$4,312.50 of the hearing session fees jointly and severally to Claimants.
2. The Panel has assessed \$12,937.50 of the hearing session fees to Respondent Gunnar.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

Diane Ciccone	-	Public Arbitrator, Presiding Chairperson
Kathleen L. Daerr-Bannon	-	Public Arbitrator
Timothy James Potero	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures

Diane Ciccone
Diane Ciccone
Public Arbitrator, Presiding Chairperson

11.20.13
Signature Date

Kathleen L. Daerr-Bannon
Kathleen L. Daerr-Bannon
Public Arbitrator

Signature Date

Timothy James Potero
Timothy James Potero
Non-Public Arbitrator

Signature Date

November 26, 2013

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

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Timothy James Potero	-	Non-Public Arbitrator

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Public Arbitrator

11-20-13

Signature Date

Timothy James Potero
Non-Public Arbitrator

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Diane Ciccone
Public Arbitrator, Presiding Chairperson

Signature Date

Kathleen L. Daerr-Bannon
Public Arbitrator

Signature Date



Timothy James Potero
Non-Public Arbitrator

NOV. 28, 2013

Signature Date

November 26, 2013

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