

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant
Joseph Pappy

Case Number: 11-04256

vs.

Respondent
TD Ameritrade

Hearing Site: Tampa, Florida

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

For Claimant Joseph Pappy: Jeffrey P. Coleman, Esq., Coleman Law Firm, Clearwater, Florida.

For Respondent TD Ameritrade: Hollie M. Mason, Esq., TD Ameritrade, Omaha, Nebraska.

CASE INFORMATION

Statement of Claim filed on or about: November 10, 2011.
Joseph Pappy signed the Submission Agreement: July 29, 2011.

Statement of Answer filed by Respondent on or about: January 10, 2012.
TD Ameritrade signed the Submission Agreement: January 10, 2012.

CASE SUMMARY

Claimant asserted the following causes of action: negligent supervision; violation of industry standards; negligence; breach of fiduciary duty; breach of contract; violations of Chapter 517, Florida Statutes; common law fraud; and, fraudulent inducement. The causes of action relate to investments in unspecified stocks that were held in a margin account that Respondent set up for Claimant.

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

RELIEF REQUESTED

In the Statement of Claim, Claimant requested: compensatory damages in the approximate amount of \$100,000.00; interest; disgorgement of commissions; costs,

expenses and disbursements; reimbursement of the FINRA filing fee and all forum fees advanced by Claimant; a determination of entitlement to attorneys' fees in an amount to be determined by a court; punitive damages; and, such other and further relief as the Arbitrator deemed just and proper.

At the close of the hearing, Claimant requested: compensatory damages in the amount of \$88,000.00; interest in an unspecified amount; costs in the amount of \$5,393.50 and attorneys' fees in an unspecified amount.

In its Answer, Respondent requested dismissal of Claimant's claims.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrator acknowledges that he has read the pleadings and other materials filed by the parties.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable for negligent supervision, negligence and violation of industry standards and shall pay to Claimant compensatory damages in the amount of \$45,000.00.

Respondent is liable and shall reimburse Claimant the sum of \$2,366.00 representing costs incurred by Claimant in connection with this arbitration proceeding.

Claimant's request for interest is denied. However, post award interest, if applicable, shall accrue in accordance with the Code of Arbitration Procedure ("Code").

Respondent is not liable for breach of fiduciary duty; breach of contract; violations of Chapter 517, Florida Statutes; common law fraud; and, fraudulent inducement.

Any and all claims for relief not specifically addressed herein, including Claimant's requests for punitive damages and attorneys' fees, are 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 = \$ 975.00

**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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

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|----------------------------|---------------|
| Member Surcharge | = \$ 1,100.00 |
| Pre-Hearing Processing Fee | = \$ 750.00 |
| Hearing Processing Fee | = \$ 1,700.00 |

Hearing Session Fees and Assessments

The Arbitrator has assessed hearing session 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:

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| Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00/session | = \$ 900.00 |
| Pre-hearing conferences: March 22, 2012 | 1 session |
| October 16, 2012 | 1 session |
| Five (5) Hearing sessions @ \$450.00/session | = \$2,250.00 |
| Hearing Dates: December 4, 2012 | 2 sessions |
| December 5, 2012 | 3 sessions |

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| Total Hearing Session Fees | = \$3,150.00 |
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The Arbitrator has assessed the total \$3,150.00 of hearing session fees to Respondent.

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

ARBITRATOR

Scott David Anton

Sole 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.

Arbitrator's Signature

/s/

Scott David Anton
Sole Public Arbitrator

12/21/2012

Signature Date

December 21, 2012
Date of Service (For FINRA Dispute Resolution office use only)

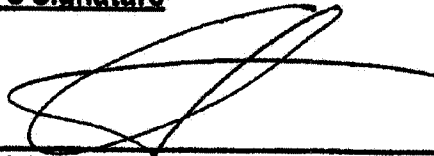
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