

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Estate of Ruth O'Neill Burnett

Case No. 00-03915

Names of Respondents

Franklin Templeton Investor Services, Inc.
Franklin Resources, Inc.

Hearing Site: Tampa, Florida

REPRESENTATION OF PARTIES

For the Estate of Ruth O'Neill Burnett (the "Estate"), hereinafter referred to as "Claimant": John Burnett, Esq. of Mohip & Burnett, P.A., St. Petersburg, FL and Brenda M. Combs, Esq. of Williams Schifino Magione & Steady, P.A., Tampa, FL.

For Franklin Templeton Investor Services, Inc. ("FTIS") and Franklin Resources, Inc. ("FR"), hereinafter collectively referred to as "Respondents": Bruce W. Barnes, Esq., Clearwater, FL.

CASE INFORMATION

Statement of Claim filed on or about: September 7, 2000.

Claimant signed the Uniform Submission Agreement: August 28, 2000.

Claimant's Reply to Answer and Affirmative Defenses of Franklin Templeton Investor Services, Inc. and a Motion to Strike Fourth Affirmative Defense and Objection to Claimant's Claim for Attorneys' Fees filed on or about: December 9, 2000.

Answer and Affirmative Defenses of Franklin Templeton Investor Services, Inc. filed on or about: November 30, 2000.

Respondent FTIS signed the Uniform Submission Agreement: November 11, 2000.

Respondent Franklin Templeton Investor Services, Inc.'s Response to Motion to Strike filed on or about: December 18, 2000.

Respondent FR did not file a Statement of Answer or an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: violation of Florida Statutes chapter 517, negligence, breach of fiduciary duty, breach of contract; and, common law fraud. The causes of action relate to the purchase and sale of unspecified security products.

Unless specifically admitted in its Answer, Respondent FTIS denied the allegations made in the

Statement of Claim and asserted various affirmative defenses including failure to allege any viable claims or causes of action.

RELIEF REQUESTED

Claimant requested compensatory damages of \$50,000.00, punitive damages, pre- and post-judgment interest, costs, attorneys' fees pursuant to Florida Statutes section 517.211(6), and such other and further relief as may be just and proper.

Respondents requested dismissal of the Statement of Claim and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about August 17, 2001, the Panel issued an order in which the Panel deferred ruling upon Claimant's Motion to Strike Fourth Affirmative Defense and Objection to Claimant's Claim for Attorneys' fees until oral argument was heard at the evidentiary hearing on this matter. The parties did not renew said motions at the evidentiary hearing. Therefore, the Panel did not issue rulings on said motions.

Respondent FR is not a member firm of the NASD. The Panel determined that FR voluntarily submitted to the jurisdiction of the NASD and the Arbitration Panel in this matter.

Respondent FR did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration but, having submitted to the jurisdiction of the NASD, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$10,000.00 pre-judgment interest specifically excluded, based on Respondents' failure to supervise and violation of state and federal securities laws. The Panel finds that there was no violation of Florida Statutes chapter 517.

Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$225.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution, Inc.

Any and all relief requests not specifically addressed herein, including Claimant's request for punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$225.00

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. In this matter, the member firm is a party.

Member surcharge = \$1,000.00
Pre-hearing process fee = \$600.00
Hearing process fee = \$1,000.00

Adjournment Fees

Adjournments requested during these proceedings:

August 20-22, 2001, adjournment by Claimant = \$750.00

Forum Fees and Assessments

The Panel has the authority to assess forum fees for each hearing session conducted. A hearing 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:

One (1) Pre-hearing session with Panel x \$750.00 = \$750.00

Pre-hearing conference: April 23, 2001 1 session

Two (2) Hearing sessions x \$750.00 = \$1,500.00

Hearing Date: November 12, 2001 2 sessions

Total Forum Fees = \$2,250.00

The Panel has assessed the total forum fees of \$2,250.00 jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$225.00
Adjournment Fee	= \$750.00

Total Fees	= \$975.00
Less payments	= \$975.00

Balance Due NASD Dispute Resolution, Inc.	= \$0.00
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Respondent FTIS be and hereby is solely liable for:

Member Fees	= \$2,600.00
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Total Fees	= \$2,600.00
Less payments	= \$2,600.00

Balance Due NASD Dispute Resolution, Inc.	= \$0.00
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Respondents be and hereby are jointly and severally solely liable for:

Forum Fees	= \$2,250.00
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Total Fees	= \$2,250.00
Less payments	= \$0.00

Balance Due NASD Dispute Resolution, Inc.	= \$2,250.00
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All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Joseph E. Meyer	-	Public Arbitrator, Presiding Chair
Linda M. Pierson	-	Public Arbitrator
Ronald H. Walton	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

Joseph E. Meyer
Public Arbitrator, Presiding Chair

Signature Date

/s/

Linda M. Pierson
Public Arbitrator

Signature Date

/s/

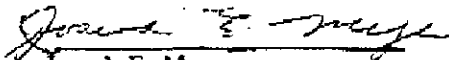
Ronald H. Walton
Non-Public Arbitrator

Signature Date

December 14, 2001

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

Concurring Arbitrators' Signatures


Joseph E. Meyer
Public Arbitrator, Presiding Chair

December 10, 2001
Signature Date

Linda M. Pierson
Public Arbitrator

Signature Date

Ronald H. Walton
Non-Public Arbitrator

Signature Date

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

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Concurring Arbitrators' Signatures

Joseph E. Meyer
Public Arbitrator, Presiding Chair

Signature Date

Linda M. Pierson
Linda M. Pierson
Public Arbitrator

12/10/2001
Signature Date

Ronald H. Walton
Non-Public Arbitrator

Signature Date

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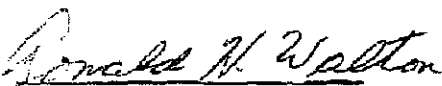
Concurring Arbitrators' Signatures

Joseph E. Meyer
Public Arbitrator, Presiding Chair

Signature Date

Linda M. Pierson
Public Arbitrator

Signature Date



Ronald H. Walton
Non-Public Arbitrator

12-11-01

Signature Date

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