

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Raymond James & Associates, Inc.

Case No. 01-00244

Name of Respondent

Steven A. Koch

Hearing Site: Tampa, Florida

REPRESENTATION OF PARTIES

For Raymond James & Associates, Inc. ("Raymond James"), hereinafter referred to as "Claimant": Shepherd D. Tate, Esq. and Rebecca C. Davis, Esq. of Tate, Lazarini & Beall, PLC, Memphis, Tennessee.

For Steven A. Koch ("Koch"), hereinafter referred to as "Respondent": Michael J. Keane, Esq. of Keane, Reese & Veseley, P.A., St. Petersburg, Florida.

CASE INFORMATION

Statement of Claim filed on or about: January 4, 2001.

Claimant's Response to Respondent's Affirmative Claim for Attorneys' Fees filed on or about: April 2, 2001.

Claimant signed the Uniform Submission Agreement: November 3, 2001.

Answer to Statement of Claim and Affirmative Defenses filed by Respondent on or about: March 23, 2001.

Respondent signed the Uniform Submission Agreement: March 23, 2001.

CASE SUMMARY

Claimant alleged the following: While employed with Raymond James, Raymond James settled nine customer complaints naming Koch for a total of \$218,000.00. Legal fees associated with these complaints totaled \$90,575.27. Application was made to the Errors and Omissions Program and Raymond James was reimbursed \$235,975.04 in settlement costs and associated legal expenses. A total of \$72,600.23 in unreimbursed expenses remains and under the terms of the Raymond James & Associates, Inc. Financial Advisor's Instructions and Business Ethics Policy, Respondent Koch is responsible for repayment of the unreimbursed expenses.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Raymond James itself breached its contract; illegality; set off; and, the losses claimed were caused by the performance of Raymond James' researched securities and practice of promoting these issues.

RELIEF REQUESTED

Claimant requested an award against Respondent in the amount of \$72,600.23, interest at the rate of 10% from the dates of settlement, costs of these proceedings, reasonable attorneys' fees and for such further relief as the Panel deemed just and proper.

Respondent requested that he prevail in this arbitration and that he be awarded his attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties 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:

Respondent is liable and shall pay to Claimant the sum of \$52,417.00, pre-judgment interest specifically excluded.

Respondent is liable and shall pay to Claimant the sum of \$500.00 representing reimbursement of one-half of the claim filing fee previously paid by Claimant to NASD Dispute Resolution, Inc.

Each party shall bear their respective costs, including attorneys' fees.

Any and all relief not specifically addressed herein is 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 = \$1,000.00

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 = \$1,500.00

Adjournment Fees

Adjournments requested during these proceedings:

There were no adjournments requested during these proceedings.

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:

Four Pre-hearing sessions with a single arbitrator x \$450.00 = \$1,800.00

Pre-hearing conferences:	August 21, 2001	1 session
	September 12, 2001	1 session
	October 15, 2001	1 session
	October 17, 2001	1 session

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

Pre-hearing conference:	August 2, 2001	1 session
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Ten Hearing sessions x \$750.00 = \$7,500.00

Hearing Dates:	October 22, 2001	2 sessions
	October 23, 2001	2 sessions
	October 24, 2001	2 sessions
	October 25, 2001	2 sessions
	October 26, 2001	2 sessions

Total Forum Fees = \$10,050.00

The panel has assessed \$5,025.00 of the forum fees to Claimant.

The panel has assessed \$5,025.00 of the forum fees to Respondent.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,100.00
Forum Fees	= \$5,025.00

Total Fees	= \$9,125.00
Less payments	= \$3,350.00

Balance Due NASD Dispute Resolution, Inc.	= \$5,775.00
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Respondent be and hereby is solely liable for:

Forum Fees	= \$5,025.00
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Total Fees	= \$5,025.00
Less payments	= \$0.00

Balance Due NASD Dispute Resolution, Inc.	= \$5,025.00
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All balances are due and payable to NASD Dispute Resolution, Inc. immediately upon the receipt of the Award by the parties pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Darryll R. Bauchert, Sr., MBA, CFP
David C. Lockhart
Stephen P. Savitt

Non-Public Arbitrator, Presiding Chair
Non-Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/
Darryll R. Bauchert, Sr., MBA, CFP
Non-Public Arbitrator, Presiding Chair

Signature Date

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David C. Lockhart
Stephen P. Savitt

Non-Public Arbitrator, Presiding Chair
Non-Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures



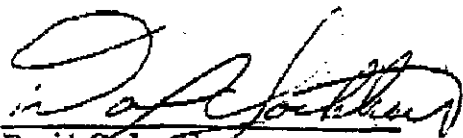
Darryll R. Bauchert, Sr., MBA, CFP
Non-Public Arbitrator, Presiding Chair

11/07/2001
Signature Date

NASD Dispute Resolution, Inc.


Arbitration No. 01-00244

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David C. Lockhart
Public Arbitrator
Signature Date_____
Stephen P. Savitt
Non-Public Arbitrator_____
Signature Date_____
Date of Service (For NASD-Dispute Resolution office use only)

David C. Lockhart
Public Arbitrator

Signature Date



Stephen P. Savitt
Non-Public Arbitrator

11/8/01

Signature Date

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

/S/
David C. Lockhart
Public Arbitrator

Signature Date

/S/
Stephen P. Savitt
Non-Public Arbitrator

Signature Date

November 14, 2001
Date of Service (For NASD-Dispute Resolution office use only)