

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Eric J. Bell

Case Number: 01-00672

Name of the Respondents
Janney Montgomery Scott LLC
Steven J. Kramer

Hearing Site: Philadelphia, PA

REPRESENTATION OF PARTIES

Claimant, Eric J. Bell ("Bell"), hereinafter referred to as "Claimant": Marc S. Henzel, Esq., Law Offices of Marc S. Henzel, Bala Cynwyd, PA.

Respondents, Janney Montgomery Scott LLC ("Janney") and Steven J. Kramer ("Kramer"), hereinafter collectively referred to as "Respondents": Peter C. Kennedy, Esq., Hecker Brown Sherry and Johnson, LLP, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on: February 5, 2001

Claimant signed the Uniform Submission Agreement: December 19, 2000

Statement of Answer filed by Respondents on: June 15, 2001

A representative for Respondent Janney signed the Uniform Submission Agreement: June 15, 2001

Respondent Kramer did not sign a Uniform Submission Agreement

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentation; unsuitability; breach of fiduciary duty; negligence; churning; violation of Pennsylvania Unfair Trade Practices and Consumer Protection Law Act of 1968; and, Section 401 and 501 of the Pennsylvania Securities Act of 1972 as amended by Act 109 of 1998. The causes of action involved options trading of various stocks, including Global Crossing, Motorola, Qualcomm, Inc., Nokia Corp., and America Online stock.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asked that Claimant's claim be denied in its entirety, and sought attorney's fees and costs.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 516,814.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the claim be denied, that Respondents be awarded attorneys' fees and costs, that Respondents' Central Registration Depository records be expunged, and any other such relief as the Panel deem proper and just.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Kramer did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, 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:

1. Claimant is awarded \$50,000.00 in compensatory damages, to be paid by Respondents jointly and severally;
2. No interest on this amount is awarded;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. Any request for relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$ 375

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, Respondent Janney is a party.

Member surcharge	= \$ 2,000
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$ 3,500

Forum Fees and Assessments

The Panel has assessed forum 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:

One (1) Pre-hearing session with a single arbitrator @ \$ 450	= \$ 450
Pre-hearing conference: April 23, 2002 1 session	
One (1) Pre-hearing session with Panel @ \$ 1,200	= \$ 1,200
Pre-hearing conference: December 21, 2001 1 session	
Four (4) Hearing sessions @ \$ 1,200	= \$ 4,800
Hearing Dates: May 14, 2002 2 sessions	
May 15, 2002 2 sessions	
Total Forum Fees	= \$ 6,450

1. The Panel has assessed \$ 2,150 of the forum fees to Claimant Bell.
2. The Panel has assessed \$ 4,300 of the forum fees jointly and severally to Respondents Janney and Kramer.

Fee Summary

1. Claimant, Bell, is assessed and shall pay:

Initial Filing Fee	= \$ 375
Forum Fees	= \$ 2,150
Total Fees	= \$ 2,525
Less payments	= \$ 1,575
Balance Due NASD Dispute Resolution	= \$ 950

2. Respondent, Janney, is assessed and shall pay:

Member Fees	= \$ 6,100
Total Fees	= \$ 6,100
Less payments	= \$ 6,100
Balance Due NASD Dispute Resolution	= \$ 00

3. Respondents, Janney and Kramer, are jointly and severally liable for:

Forum Fees	= \$ 4,300
Total Fees	= \$ 4,300
Less payments	= \$ 00
Balance Due NASD Dispute Resolution	= \$ 4,300

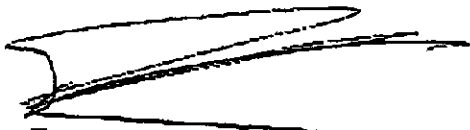
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Fred W. Miller, Esq.
Joseph Straus, Jr.
John S. McNulty

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Fred W. Miller, Esq.
Public Arbitrator, Presiding Chairperson

June 24, 2002
Signature Date

Howard Mason Cyr, Jr. Joseph Straus, Jr.
Public Arbitrator, Panelist CJAT

Signature Date

John S. McNulty
Non-Public Arbitrator, Panelist

Signature Date

June 25, 2002
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Fred W. Miller, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Joseph Straus, Jr.
~~Howard Mason Co., Jr.~~ JOSEPH STRAUS, JR.
Public Arbitrator, Panelist

6/24/02
Signature Date

John S. McNulty
Non-Public Arbitrator, Panelist

Signature Date

June 25, 2002
Date of Service (For NASD Dispute Resolution office use only)

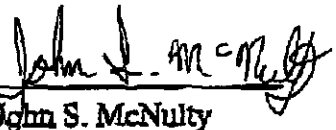
Concurring Arbitrators' Signatures

Fred W. Miller, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

~~Howard Mason Cyn, Jr.~~ Joseph Straus, Jr.
Public Arbitrator, Panelist

Signature Date


John S. McNulty
Non-Public Arbitrator, Panelist

6-21-02
Signature Date

June 25, 2002
Date of Service (For NASD Dispute Resolution office use only)