

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Dr. Jean A. Wharton, Trustee for the Dr. Jean A. Wharton Trust and Dr. Jean Wharton IRA,
Claimants v. George J. Van Dalen, Jr., and Janney Montgomery Scott LLC, Respondents

Case Number: 01-01522

Hearing Site: Seattle, Washington

Nature of Dispute: Customer v. Associated Person and Member

REPRESENTATION OF PARTIES

For Claimants:

Alan F. Hall, Esq.
Alan F. Hall and Associates, P.S.
Edmonds, Washington

For Respondents:

Paula D. Shaftner, Esq.
Saul Ewing LLP
Philadelphia, Pennsylvania

CASE INFORMATION

Statement of Claim filed: March 27, 2001

Claimants' Joint Uniform Submission Agreement signed: April 11, 2001

Joint Statement of Answer filed by Respondents Janney Montgomery Scott LLC and George J. Van Dalen, Jr.: June 11, 2004

Respondent George J. Van Dalen, Jr.'s Uniform Submission Agreement signed: June 5, 2001

CASE SUMMARY

Claimants alleged breach of contract, breach of fiduciary duty, negligence, failure to supervise, suitability and unauthorized trading involving numerous technology stocks and various mutual funds.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested unspecified compensatory damages, interest, and costs.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety, costs, including attorney's fees, and expungement of all references to the above-referenced arbitration from the registration records of Respondent George J. Van Dalen, Jr. maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

On May 1, 2003, upon reviewing the qualifications of the non- public arbitrator, Bernard W. McNallen, the NASD reclassified Mr. McNallen as a Public Arbitrator. On July 31, 2003, at the start of a telephonic pre-hearing conference, the parties accepted the composition of the panel. Once again, on May 18, 2004, at the start of the hearing in this matter, the parties accepted the composition of the Panel.

Respondent Janney Montgomery Scott LLC did not file with the NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims are denied in their entirety.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent George J. Van Dalen, Jr.'s registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent George J. Van Dalen, Jr. must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 250.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Janney Montgomery Scott LLC is a party and the following fees are assessed:

Member Surcharge	= \$1,200.00
Pre-Hearing Process Fee	= \$ 600.00
Hearing Process Fee	= \$2,000.00
Total Member Fees	= \$3,800.00

Adjournment Fees

The following adjournment fees are assessed:

January 14-16, 2004, adjournment requested by Respondents	= \$1,000.00
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Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with the Panel @ \$ 1,000.00/session	= \$2,000.00
Pre-hearing conferences:	
November 12, 2001	1 session
July 31, 2003	1 session
(3) Hearing sessions @ \$1,000.00/session	= \$ 3,000.00
Hearings:	
May 18, 2004	1 session
May 19, 2004	2 sessions
Total Forum Fees	= \$5,000.00

1. The Panel assessed \$2,500.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$2,500.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 2,500.00
Total Fees	= \$ 2,750.00
Less overpayment in mediation	= \$ (30.00)
Less payments	= \$(1,250.00)
Balance Due NASD Dispute Resolution	= \$ 1,470.00

2. Respondent Janney Montgomery Scott LLC is charged with the following fees and costs:

Member Fees	= \$ 3,800.00
Less payments	= \$(3,800.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Janney Montgomery Scott LLC and George J. Van Dalen, Jr. are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 1,000.00
Forum Fees	= \$ 2,500.00
Total Fees	= \$ 3,500.00
Less overpayment in mediation by Janney Montgomery	= \$ (30.00)
Less payments	= \$ (1,000.00)
Balance Due NASD Dispute Resolution	= \$ 2,470.00

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


ARBITRATION PANEL


Bernard W. McNallen, Esq. - Public Arbitrator, Presiding Chair

Prudence W. Baldwin - Public Arbitrator

G. E. Craig Doupe, Esq. - Public Arbitrator

Concurring Arbitrators' Signatures


Bernard W. McNallen, Esq.
Chair, Public Arbitrator

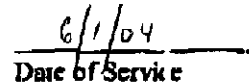

Signature Date

Prudence W. Baldwin
Public Arbitrator

Signature Date

G. E. Craig Doupe, Esq.
Public Arbitrator

Signature Date


Date of Service

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G. E. Craig Doupe, Esq. - Public Arbitrator

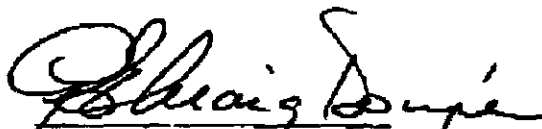
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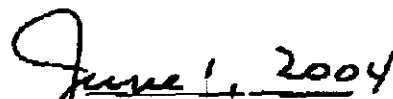
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Prudence W. Baldwin
Public Arbitrator

Signature Date



G. E. Craig Doupe, Esq.
Public Arbitrator



Signature Date

6/1/04
Date of Service

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Bernard W. McNallen, Esq.
Chair, Public Arbitrator

Signature Date

Prudence W. Baldwin
Prudence W. Baldwin
Public Arbitrator

JUNE 7, 2004
Signature Date

G. E. Craig Doupe, Esq.
Public Arbitrator

Signature Date

Date of Service