

**Award
NASD**

In the Matter of the Arbitration Between:

Name of Claimant
Rick G. Bannon

Case Number: 01-03278

Names of Respondents
Raymond James & Associates, Inc., a Florida Corporation
Steven Koch

Hearing Site: Tampa, Florida

REPRESENTATION OF PARTIES

For Rick G. Bannon, hereinafter referred to as "Claimant": Eric E. Ludin, Esq., Piper, Ludin, Howie & Werner, P.A. St. Petersburg, Florida.

For Respondent Raymond James & Associates, Inc. ("RJ&A"): Deborah Howard, Vice President, Associate General Counsel, Raymond James & Associates, Inc., St. Petersburg, Florida.

For Respondent Steven Koch ("Koch"): George L. Hayes III, Hayes & Martohue, P.A., St. Petersburg, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 14, 2001.

Claimant signed the Uniform Submission Agreement: June 14, 2001.

Statement of Answer filed by Respondent RJ&A on or about: September 25, 2001.

Statement of Answer filed by Respondent Koch on or about: September 11, 2001.

Respondent RJ&A signed the Uniform Submission Agreement: September 25, 2001.

Respondent Koch signed the Uniform Submission Agreement: September 11, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: violation of Chapter 517, Florida Statutes; negligence and breach of fiduciary duty; and, common law fraud. The causes of action relate to the excessive trading of unspecified stocks in Claimant's account.

Unless specifically admitted in their Statements of Answer, Respondents denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested damages of between \$50,000.00 and \$100,000.00 including punitive and exemplary damages and statutory and other damage enhancements, pre-judgment interest, costs, attorney's fees and such other and further relief as the Panel deemed appropriate, including, but not limited to, the rescission of all unsuitable and inappropriate trades and disgorgement of commissions paid.

Respondent RJ&A requested a dismissal of all claims, the entry of an Award finding no liability and directing that this claim be expunged from its CRD records and that RJ&A be directed to a court of competent jurisdiction for an award of fees and costs incurred in the defense of this matter.

Respondent Koch did not specifically delineate a relief request.

OTHER ISSUES CONSIDERED AND DECIDED

On or about November 21, 2001, Claimant informed the NASD that he had amicably settled his claims with Respondent RJ&A.

On or about July 29, 2002, Claimant filed with NASD a Stipulation for Entry of Final Award (the "Stipulation") signed by Claimant and Respondent Koch and an Affidavit of Non-Compliance, signed by Claimant's counsel, which requested that the Panel enter a final Award, as Respondent Koch did not pay and deliver to Claimant's counsel certain monies pursuant to their Agreement.

On or about August 8, 2002, the arbitration panel issued an Order which stated that Respondent Koch shall file a response to the Affidavit on or before September 9, 2002. Respondent Koch did not file a response.

On or about October 23, 2002, the arbitration Panel issued an Order which awarded to Claimant from Respondent Koch the amount set forth in the Stipulation.

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 Stipulation and the Affidavit, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent Koch is liable and shall pay to Claimant the sum of \$7,000.00 as set forth in the Stipulation.

FEES

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

Filing Fees

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

| | |
|--------------------------|------------|
| Initial claim filing fee | = \$225.00 |
|--------------------------|------------|

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. RJ&S was a party to this dispute and was an NASD member at the time the following fees were assessed:

| | |
|--------------------------------|--------------------|
| Member Surcharge | = \$ 1,000.00 |
| <u>Pre-Hearing Process Fee</u> | <u>= \$ 600.00</u> |
| Total Member Fees | = \$ 1,600.00 |

Adjournment Fees

No requests for adjournments were filed in this matter.

Injunctive Relief Fees

Injunctive relief fees were not assessed in this matter.

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 Chair/Panel. The following fees are assessed:

| | |
|---|-------------|
| One (1) Pre-hearing conference with the Panel @ \$750.00 | = \$ 750.00 |
| <u>Pre-hearing conference: January 17, 2002 1 session</u> | |
| Total Forum Fees | = \$ 750.00 |

The Panel assessed the total forum fees of \$750.00 to Respondent Koch.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for the following fees and costs:

| | |
|---------------------------|-------------|
| <u>Initial Filing Fee</u> | = \$ 225.00 |
| <u>Total Fees</u> | = \$ 225.00 |
| <u>Less payments</u> | = \$ 225.00 |
| Balance Due NASD | = \$ 0.00 |

Respondent RJ&S is solely liable for the following fees and costs:

| | |
|----------------------|---------------|
| <u>Member Fees</u> | = \$ 1,600.00 |
| <u>Total Fees</u> | = \$ 1,600.00 |
| <u>Less payments</u> | = \$ 1,000.00 |
| Balance Due NASD | = \$ 600.00 |

Respondent Koch is solely liable for the following fees and costs:

| | |
|----------------------|-------------|
| <u>Forum Fees</u> | = \$ 750.00 |
| <u>Total Fees</u> | = \$ 750.00 |
| <u>Less payments</u> | = \$ 0.00 |
| Balance Due NASD | = \$ 750.00 |

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

ARBITRATION PANEL

| | | |
|-------------------------------|---|---|
| <i>Robert N. Duggan, Esq.</i> | - | <i>Public Arbitrator, Presiding Chair</i> |
| <i>Don Porter</i> | - | <i>Public Arbitrator</i> |
| <i>Robert K. MacKenzie</i> | - | <i>Non-Public Arbitrator</i> |

Concurring Arbitrators' Signatures

/s/
Robert N. Duggan, Esq.
Chair, Public Arbitrator

11/14/02
Signature Date

/s/
Don Porter
Public Arbitrator

11/25/02
Signature Date

/s/
Robert K. MacKenzie
Non-Public Arbitrator

11/22/02
Signature Date

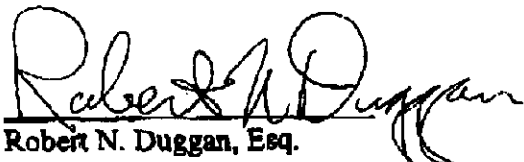
11/25/02
Date of Service (For NASD use only)

NOV. 11. 2002 11:16AM

NO. 8409 P. 6/6

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Concurring Arbitrators' Signatures


Robert N. Duggan, Esq.
Chair, Public Arbitrator

Nov 14, 2002
Signature Date

Don Porter
Public Arbitrator

Signature Date

Robert K. MacKenzie
Non-Public Arbitrator

Signature Date

Date of Service (For NASD use only)

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Arbitration No. 01-03278
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Concurring Arbitrators' Signatures

Robert N. Duggan, Esq.
Chair, Public Arbitrator



Don Porter
Public Arbitrator

Signature Date

11/25/02

Signature Date

Robert K. MacKenzie
Non-Public Arbitrator

Signature Date

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Award Page 5


Concurring Arbitrators' Signatures

Robert N. Duggan, Esq.
Chair, Public Arbitrator

Signature Date

Don Porter
Public Arbitrator

Signature Date


Robert K. MacKenzie
Non-Public Arbitrator

11-22-02
Signature Date

Date of Service (For NASD use only)