
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Raymond James Financial Services, Inc.

Case Number: 02-05486

Name of the Respondent
Ramona Cumbie f/k/a/ Ramona Mackinnon

Hearing Site: Tampa, Florida

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For Raymond James Financial Services, Inc., hereinafter referred to as "Claimant": Bruce W. Barnes, Esq., Bruce W. Barnes, P.A., Clearwater, Florida.

Ramona Cumbie f/k/a/ Ramona Mackinnon, hereinafter referred to as "Respondent", did not appear.

CASE INFORMATION

Statement of Claim filed on or about: September 16, 2002.

Claimant signed the Uniform Submission Agreement: September 5, 2002.

Statement of Answer filed by Respondent on or about: October 7, 2002.

Respondent signed the Uniform Submission Agreement: November 12, 2002.

Counterclaim filed by Respondent on or about: August 31, 2005.

Request to Panel For Acceptance of Motion to File Counterclaim filed by Respondent on or about: September 1, 2005.

Response to Respondent's Request to Panel For Acceptance of Motion to File Counterclaim filed by Claimant on or about: September 8, 2005.

CASE SUMMARY

Claimant asserted a claim for contractual and common law indemnification for all liabilities and expenses incurred by Claimant in connection with Respondent's business activities. Specifically, Claimant asserted this claim in connection with all regulatory matters and arbitration claims asserted against Claimant by Respondent's former customers. The causes of action relate to Respondent's former affiliation as a registered representative/independent contractor with Claimant and the Independent Sales Associate Agreement dated October 5, 1998 entered into between Claimant and Respondent.

Unless specifically admitted in her Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested indemnification in the amount of \$121,549.00, plus additional damages in an amount equal to all liabilities and expenses incurred in defending arbitration claims and regulatory matters asserted by former customers of Respondent against Claimant, plus interest, attorneys' fees, costs, and such further relief deemed appropriate.

Respondent requested that Claimant, and not she, be held accountable for liabilities incurred during the period of time when she had no association with Respondent or her former clients.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 9, 2002, Respondent filed a petition for relief under Chapter 13 of the United States Bankruptcy Code ("USBC"). Thereafter, on or about December 30, 2002, Claimant requested that this matter be stayed in accordance with the provisions of the USBC. In response thereto, on or about January 10, 2003, NASD Dispute Resolution ("NASD") closed its file in connection with this matter.

Claimant filed a motion in the United States Bankruptcy Court for the Northern District of Florida, Tallahassee Division (the "Court") seeking relief from the automatic stay. On or about January 23, 2004, Claimant filed a request to re-open this case pursuant to the Court's Order dated December 22, 2003 which granted, in part, Claimant's motion for relief and expressly authorized Claimant to proceed on its claims of contractual indemnification under this arbitration case. Thereafter, on or about March 8, 2004, Claimant filed a notice of the Court's Order dated February 18, 2004, which dismissed Respondent's bankruptcy petition. Accordingly, NASD re-opened its file in connection with this matter.

On or about August 29, 2005, Claimant filed a request to change the hearing location in this matter from Orlando, Florida to Tampa, Florida. Respondent did not file a response.

On or about September 20, 2005, the Panel issued an Order which denied Respondent's request to file a Counterclaim and granted Claimant's request to change the hearing location in this matter to Tampa, Florida.

Respondent did not appear at the evidentiary hearing conducted on October 10, 2005. Upon review of the file and representations made by Claimant, the Panel determined that Respondent has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the parties' pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable on the claim of common law and contractual indemnification and shall pay Claimant damages in the amount of \$331,970.95, pre-judgment interest specifically excluded.

Respondent is liable and shall pay to Claimant the sum of \$1,000.00 representing reimbursement of the non-refundable claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Claimant's request for attorneys' fees, are denied.

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	= \$1,000.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm Raymond James Financial Services, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Adjournment Fees

Adjournment granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional

arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel @ \$1,125.00/session	= \$2,250.00
Pre-hearing conferences: June 7, 2004	1 session
January 24, 2005	1 session

Two (2) Hearing sessions @ \$1,125.00/session	= \$2,250.00
Hearing Date: October 10, 2005	2 sessions

Total Forum Fees	= \$4,500.00
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The Panel has assessed the total forum fees of \$4,500.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to: additional copies of arbitrator awards; copies of audio transcripts; retrieval of documents from archives; interpreters; and, security.

No administrative costs were incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 6,200.00
<u>Less payments</u>	= \$ 6,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

<u>Forum Fees</u>	= \$4,500.00
Total Fees	= \$4,500.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$4,500.00

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

ARBITRATION PANEL

Ronald H. Walton	-	Non-Public Arbitrator, Presiding Chairperson
Thomas C. Krumenacker	-	Non-Public Arbitrator
John A. Bevier	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

10/14/05

Ronald H. Walton
Non-Public Arbitrator, Presiding Chairperson

Signature Date

/s/

10/14/05

Thomas C. Krumenacker
Non-Public Arbitrator

Signature Date

/s/

10/14/05

John A. Bevier
Non-Public Arbitrator

Signature Date

October 14, 2005

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

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10-14-05
Signature Date

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10-14-05
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