

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Raymond, James & Associates, Inc.

Case Number: 02-05659

Name of the Respondent

William C. Gunstead

Hearing Site: Dallas, Texas

REPRESENTATION OF PARTIES

Claimant Raymond, James & Associates, Inc., hereinafter referred to as "Claimant": Rick A. Buchwalter, Esq. of Raymond, James & Associates, Inc., located in St. Petersburg, Florida.

Respondent William C. Gunstead, hereinafter referred to as "Respondent," did not appear.

CASE INFORMATION

Statement of Claim filed: September 27, 2002.

Claimant signed the Uniform Submission Agreement: July 16, 2002.

Respondent did not file a Statement of Answer or a signed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted that Respondent Gunstead failed to repay the outstanding principal balance on a Promissory Note executed during his employment at Raymond James. Pursuant to the terms of the Note, the balance became due upon termination of his employment. Demand for payment was made, but Respondent failed and refused to repay the loan.

Respondent failed to respond to the Statement of Claim.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages

\$104,888.00

Interest

10% from August 13, 2002

Attorneys' Fees

Reasonable fees per agreement

Other Costs

Of proceeding

Other Monetary/Non-Monetary Relief if any:

As determined by the panel.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators determined that Respondent William C. Gunstead was 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").

Respondent William C. Gunstead did not file a properly executed submission to arbitration with NASD Dispute Resolution, but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

At hearing, Claimant orally presented a Motion for Default to the Panel. Upon consideration, the Panel granted the Motion.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions filed by Claimant, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent William C. Gunstead is liable for and shall pay to the Claimant, Raymond, James & Associates, Inc., the sum of \$104,888.00 in compensatory damages under the Note, plus interest at the rate of 10% per year accruing from August 13, 2002 until the sum is paid in full;
2. In addition, Respondent William C. Gunstead is liable for and shall pay to the Claimant, Raymond, James & Associates, Inc., the sum of \$4,005.50 as legal fees. In deciding to award legal fees, the Panel considered the pleading filed by the Claimant, as well as the express provisions of the agreement executed by Respondent, and determined that authority existed for an award of legal fees to the Claimant;
3. Furthermore, Respondent William C. Gunstead is liable for and shall pay to the Claimant, Raymond, James & Associates, Inc., the sum of \$1,172.30 as costs of arbitration;
4. Respondent William C. Gunstead is also liable for and shall pay to the Claimant, Raymond, James & Associates, Inc., the sum of \$8,450.00 as reimbursement of the NASD fees paid by the Claimant in this arbitration;
5. The parties shall bear any remaining costs of arbitration not specifically included above, including any additional attorneys' fees incurred in this arbitration, and
6. Any and all relief not specifically addressed herein is 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

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, Raymond, James & Associates, Inc. is a party and the following member fees are assessed:

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed: None.

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 Panel @ \$1,125.00 = \$ 1,125.00
Pre-hearing conference: March 18, 2003 1 session

One (1) Hearing sessions @ \$1,125.00 = \$ 1,125.00
Hearing Date: May 27, 2003 1 session
Total Forum Fees = \$ 2,250.00

The Panel has assessed \$2,250.00 of the forum fees to Claimant Raymond, James & Associates, Inc.

EEE SUMMARY

Claimant Raymond, James & Associates, Inc. is solely liable for:

Initial Filing Fee = \$ 1,000.00
Member Fees = \$ 5,200.00
Forum Fees = \$ 2,250.00
Total Fees = \$ 8,450.00
Less payments = \$ 7,325.00
Balance Due NASD Dispute Resolution = \$ 1,125.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule

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10330(g) of the Code.

ARBITRATION PANEL

Dolores Martin - Non-Public Arbitrator, Presiding Chairperson
William E. Barker, Jr. - Non-Public Arbitrator Robert C. Denenberg
Robert C. Denenberg - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Dolores Martin
Dolores Martin
Non-Public Arbitrator, Presiding Chairperson

7-10-03
Signature Date

William E. Barker, Jr.
Non-Public Arbitrator

Signature Date

Robert C. Denenberg
Non-Public Arbitrator

Signature Date

7/16/03 Mm
Date of Service (For NASD Dispute Resolution office use only)

10330(g) of the Code.

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Dolores Martin
Non-Public Arbitrator, Presiding Chairperson

Signature Date

William E. Barker, Jr.
William E. Barker, Jr.
Non-Public Arbitrator

07/11/03
Signature Date

Robert C. Denenberg
Non-Public Arbitrator

Signature Date

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7/16/03
Signature Date

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