

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Raymond James & Associates, Inc.

and

Case Number: 02-06671

Hearing Site: Southfield, Michigan

Name of Respondent

Steven Letzer

NATURE OF DISPUTE

Member v. Associated Person

REPRESENTATION OF PARTIES

Raymond James & Associates, Inc. ("Claimant") was represented by Leslie A. Reese, Esq., Raymond James & Associates, Inc., St. Petersburg, Florida.

Steven Letzer ("Respondent") appeared in pro per.

CASE INFORMATION

The Statement of Claim was filed on or about November 5, 2002. The Submission Agreement of Claimant was signed on or about October 30, 2002.

Claimant filed a Motion for Default and a Motion to Exclude Evidence on or about March 14, 2003.

Statement of Answer and Counterclaim was filed by Respondent on or about September 11, 2003.

CASE SUMMARY

Claimant asserted that Respondent received a forgivable note from Claimant and executed an Advanced Compensation Agreement ("the Agreement") providing for repayment of the amount of the \$45,392.00 note plus 10% interest per annum should Respondent leave the employ of Claimant. According to Claimant, Respondent terminated his employment with Claimant prior to the date the forgivable note was to be forgiven.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted defenses including the following: Respondent changed his commission structure after Respondent returned to work after being out on during his disability leave, and that Claimant financially benefited from his termination. Respondent alleged that Claimant violated the FMLA Act and that he may file a complaint under the Act within the prescribed statute of limitations.

RELIEF REQUESTED

Claimant requested an award in the amount of \$45,392.00 plus interest, costs, attorney's fees and such other relief the panel deemed just and proper.

Respondent requested that the claims asserted against him be denied in their entirety and that he be awarded his costs. Respondent requested that Claimant be ordered to pay \$11,000.00 to him in vested deferred compensation in his counterclaim.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Steven Letzer did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

On or about January 5, 2004, Claimant stated that the pre-hearing conference scheduled for oral arguments on its *Motions to Dismiss and Exclude Evidence* was no longer required.

The Chairperson's Order entered on April 20, 2004, memorializes that during the pre-hearing conference on April 20, 2004, Respondent stated that he was not seeking to file an Amended Answer and Counterclaim under the FMLA.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, Steven Letzer, is liable for and shall pay to Claimant, Raymond James & Associates, Inc., the sum of \$27,000.00 in damages;
- 2.) Respondent's Counterclaim is denied and dismissed with prejudice;
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

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
Counterclaim filing fee	= \$ 125.00

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. In this matter, the member firm is Raymond James & Associates, Inc.

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 1,000.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 x \$450.00	= \$ 450.00
Pre-hearing conference: April 20, 2004 1 session	

One (1) Pre-hearing session with Panel x \$600.00	= \$ 600.00
Pre-hearing conference: November 5, 2003 1 session	

Four (4) Hearing sessions x \$600.00	= \$2,400.00
Hearing Dates: April 29, 2004 2 sessions	
April 30, 2004 2 sessions	

Total Forum Fees	= \$3,450.00
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The Arbitration Panel has assessed \$1,725.00 of the forum fees to Raymond James & Associates, Inc.

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Fee Summary

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

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,625.00
Forum Fees	= \$ 1,725.00
Total Fees	= \$ 5,350.00
Less payments	= \$ 4,225.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

Respondent, Steven Letzer, is liable for:

Counterclaim Filing Fee	= \$ 125.00
Forum Fees	= \$ 1,725.00
Total Fees	= \$ 1,850.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,850.00

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

ARBITRATION PANEL

David L. Tornga, Esq. - Non-Public Arbitrator, Presiding Chair
Keith J. Koerber - Non-Public Arbitrator
John R. Main - Non-Public Arbitrator

Concurring Arbitrators:

/s/ David L. Tornga, Esq.
David L. Tornga, Esq.
Non-Public Arbitrator, Presiding Chair

05/03/04
Signature Date

/s/ Keith J. Koerber
Keith J. Koerber
Non-Public Arbitrator

05/03/04
Signature Date

/s/ John R. Main
John R. Main
Non-Public Arbitrator

05/03/04
Signature Date

05/03/04
Date of Service (For NASD office use only)

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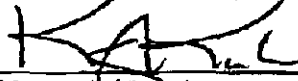
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David L. Tornga, Esq.
Non-Public Arbitrator, Presiding Chair


Keith J. Koerber
Non-Public Arbitrator

Signature Date

May 3, 2004
Signature Date

John R. Main
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 02-06671
Award Page 4 of 4

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David L. Tornga, Esq.
Non-Public Arbitrator, Presiding Chair

May 3, 2004

Signature Date

Keith J. Koerber
Non-Public Arbitrator

Signature Date

John R. Main
Non-Public Arbitrator

Signature Date

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NASD Dispute Resolution
Arbitration No. 02-08671
Award Page 4 of 4

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Non-Public Arbitrator, Presiding Chair

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5-3-04
Signature Date

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