

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Gladys M. Kratz

Case Number: 02-06837

Name of the Respondents
Janney Montgomery Scott, LLC
Gail Mackler-Carlino

Hearing Site: Philadelphia, PA

Nature of the Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimant, Gladys M. Kratz, hereinafter referred to as "Claimant", was represented by Aaron Buser, Esq., Stark & Stark, Princeton, NJ.

Respondents, Janney Montgomery Scott ("Janney") and Gail Mackler-Carlino ("Mackler-Carlino"), hereinafter collectively referred to as "Respondents", were represented by Paula D. Shaffner, Esq., Saul Ewing, LLP, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on November 12, 2002.

Claimant signed the Uniform Submission Agreement on October 29, 2002.

Statement of Answer filed by Respondents on February 6, 2003.

Respondents did not file Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability, breach of fiduciary duty, breach of contract, and excessive use of margin. The causes of action relate to the purchase and sale of various technology and biotechnology stocks and mutual funds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses among others: failure to state a claim upon which relief may be granted; statute of limitations; authorization; failure to mitigate; ratification; and, laches and estoppel.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 97,444.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that Claimant's claims be denied; that the costs of this proceeding including attorneys' fees be assessed against Claimant; and that Respondent Mackler-Carlino's regulatory records be expunged.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed submissions to arbitration, but are required to submit to arbitration pursuant to NASD Code of Arbitration Procedure (the "Code"), and having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

AWARD

After considering the 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:

1. Claimant's claims are denied in their entirety;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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 = \$ 225.00

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, Respondent Janney is a party.

Member surcharge = \$1,100.00

Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00
Total Member Fees	= \$3,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 21-23, 2004, adjournment requested by Claimant = waived

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:

One (1) Pre-hearing session with Arbitrator @ \$450	= \$ 450.00
Pre-hearing conference: April 29, 2004 1 session	

One (1) Pre-hearing session with Panel @ \$750	= \$ 750.00
Pre-hearing conference: August 19, 2003 1 session	

Five (5) Hearing sessions @ \$750	= \$3,750.00
Hearing Dates: May 3, 2004 2 sessions	
May 4, 2004 2 sessions	
May 5, 2004 1 session	

Total Forum Fees	= \$4,950.00
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1. The Panel has assessed \$2,475.00 of the forum fees to Claimant.
2. The Panel has assessed \$2,475.00 of the forum fees to Respondent Janney.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$2,475.00
Total Fees	= \$2,700.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$1,725.00

2. Respondent Janney is assessed and shall pay:

Member Fees	= \$3,550.00
Forum Fees	= \$2,475.00
Total Fees	= \$6,025.00
Less payments	= \$3,550.00
Balance Due NASD Dispute Resolution	= \$2,475.00

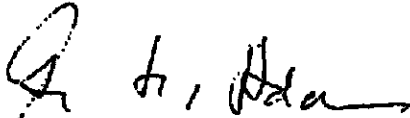
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

George F. Adams, Esq.
Marilyn Chin
David Denison

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



George F. Adams, Esq.
Public Arbitrator, Presiding Chairperson

5/13/05

Signature Date

Marilyn Chin
Public Arbitrator, Panelist

Signature Date

David Denison
Non-Public Arbitrator, Panelist

Signature Date

May 13, 2005

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

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Public Arbitrator, Presiding Chairperson

Signature Date



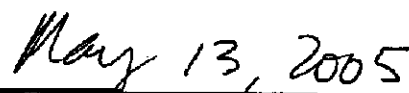
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