

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Samuel Karavan

Case Number: 03-01300

Names of the Respondents
Janney Montgomery Scott, LLC
Will Tickner
William Schmidt
Ryan Tickner

Hearing Site: Philadelphia, PA

Nature of the Dispute: Customer v. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimant, Samuel Karavan, hereinafter referred to as "Claimant", was represented by Paul V. Isicrate, Esq., Attorney at Law, Philadelphia, Pennsylvania.

Respondents, Janney Montgomery Scott, LLC ("Janney Montgomery"), Will Tickner ("W. Tickner"), William Schmidt ("Schmidt") and Ryan Tickner ("R. Tickner"), hereinafter collectively referred to as "Respondents", were represented by Paula D. Shaffner, Esq., Saul Ewing, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on February 24, 2003.

Claimant signed the Uniform Submission Agreement on February 20, 2003.

Joint Statement of Answer filed by Respondents on June 4, 2003.

A representative of Respondent Janney Montgomery signed the Uniform Submission Agreement on March 12, 2003.

Respondents W. Tickner, Schmidt and R. Tickner did not file Uniform Submission Agreements with NASD Dispute Resolution.

CASE SUMMARY

Claimant asserted the following causes of action: negligence, suitability, breach of fiduciary duty and failure to supervise. The causes of action relates to the purchase and sale of various securities

Unless specifically admitted in their Joint Statement of Answer, Respondents denied the allegation made in the Statement of Claim and asserted the following defenses, among others: failure to state claim upon which relief may be granted; contributory negligence; Claimant's claims are barred by

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the doctrines of ratification, estoppel and laches; Claimant failed to exercise due care; authorization; Claimant's claims are barred by the statute of limitations; and failure to mitigate damages.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 1,668,035.36
Punitive Damages	\$ 2,500,000.00
Other Costs	amount unspecified

Respondents requested that Claimant's claims be denied in their entirety, that they be awarded all costs, and attorneys' fees in connection with the arbitration, and that the Arbitration Panel (the "Panel") order the expungement of all reference to this matter from Respondents W. Tickner's, Schmidt's and R. Tickner's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents W. Tickner, Schmidt and R. Tickner did not file with NASD Dispute Resolution, properly executed submissions to arbitration but are required to submit to arbitration pursuant to 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.

The parties 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 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 Panel recommends the expungement of all reference to the above-captioned arbitration from Respondents W. Tickner's, Schmidt's and R. Tickner's registration records maintained by the CRD with the understanding that, pursuant to NASD Notices to Members 99-09 and 99-54, Respondents W. Tickner, Schmidt and R. Tickner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
4. 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 = \$ 600.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent Janney Montgomery is a party.

Member surcharge = \$ 2,800.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 5,000.00

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 a single arbitrator @ \$ 450.00 = \$ 450.00
Pre-hearing conference: March 4, 2004 1 session

One (1) Pre-hearing session with Panel @ \$ 1,200.00 = \$ 1,200.00
Pre-hearing conference: October 13, 2003 1 session

Six (6) Hearing session @ \$ 1,200.00 = \$ 7,200.00
Hearing Dates: June 8, 2004 2 sessions
June 9, 2004 2 sessions
June 10, 2004 2 sessions

Total Forum Fees = \$ 8,850.00

1. The Panel has assessed \$ 4,425.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 4,425.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is assessed and shall pay:
Initial Filing Fee = \$ 600.00
Forum Fees = \$ 4,425.00
Total Fees = \$ 5,025.00

Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 3,225.00

2. Respondent Janney Montgomery is assessed and shall pay:

Member Fees	= \$ 8,550.00
Total Fees	= \$ 8,550.00
Less payments	= \$ 8,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally assessed and shall pay:

Forum Fees	= \$ 4,425.00
Total Fees	= \$ 4,425.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 4,425.00

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

ARBITRATION PANEL

Edward Blumstein, Esq.	-	Public Arbitrator, Presiding Chairperson
Richard W. Bourbon, Esq.	-	Public Arbitrator, Panelist
Richard A. Pascoe	-	Non-Public Arbitrator, Panelist

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Arbitration No. 03-01300
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Concurring Arbitrators' Signatures



Edward Blumstein, Esq.
Public Arbitrator, Presiding Chairperson

6/17/04
Signature Date

Richard W. Bourbon, Esq.
Public Arbitrator, Panelist

Signature Date

Richard A. Pascoe
Non-Public Arbitrator, Panelist

Signature Date

June 22, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

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Public Arbitrator, Presiding Chairperson

Signature Date

Richard W. Bourbon
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Public Arbitrator, Panelist

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Signature Date

Richard A. Pascoe
Non-Public Arbitrator, Panelist

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