

**STIPULATED AWARD  
NASD Dispute Resolution**

---

In the Matter of the Arbitration Between

Name of Claimant

Vocational Homemaking Teacher's Association  
of Texas, Inc. a/k/a Vocational Home Economics  
Teacher's Association of Texas

and

Case Number: 03-01777  
Hearing Site: Houston, Texas

Names of Respondents

Raymond James & Associates, Inc  
Roy Sparkman

---

**NATURE OF DISPUTE**

Customer v. Member Firm and Associated Person

**REPRESENTATION OF PARTIES**

Vocational Homemaking Teacher's Association of Texas, Inc. a/k/a Vocational Home Economics Teacher's Association of Texas ("**Claimant**") was represented by Brian J. O'Toole, Esq., of O'Toole & Hemphill, LLP, in Austin, Texas.

Raymond James & Associates, Inc ("**Raymond James**") and Roy Sparkman ("**Sparkman**"), herein after referred to as ("**Respondents**") were represented by Robert Stokes, III, Esq., of Raymond James & Associates in St. Petersburg, Florida.

**CASE INFORMATION**

The Statement of Claim was filed on or about March 12, 2003.

The Submission Agreement of Claimant Vocational Homemaking Teacher's Association of Texas, Inc. a/k/a Vocational Home Economics Teacher's Association of Texas was signed on or about March 12, 2003.

The Joint Statement of Answer was filed by Respondents Raymond James & Associates, Inc., and Roy Sparkman on or about June 5, 2003.

The Submission Agreement of Respondent Raymond James & Associates, Inc., was signed on or about March 31, 2003.

The Submission Agreement of Respondent Roy Sparkman was signed on or about April 1, 2003.

### **CASE SUMMARY**

Claimant asserted the following causes of action: negligence, failure to supervise, breach of fiduciary duty, misrepresentations, omissions of facts and suitability. Claimant alleged that Raymond James failed to supervise Sparkman and was grossly negligent in its handling of Claimant's accounts.

Unless specifically admitted in their Answer, Respondents Raymond James and Sparkman denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant's claims are barred by the applicable statutes of limitations, including, but not limited to, the one-year statute of limitations for all claims derivative of Section 10(b) of the Securities Exchange Act of 1934; Claimant's claims are barred by the doctrine of laches; Claimant's claim for negligence fails to state a cause of action where the predicate for such action lies in contract; and Claimant assumed the risks of investing in the securities and thus has no basis for any claim against Respondents.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$100,000.00
Punitive/Exemplary Damages	\$ 50,000.00
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs, attorney's fees and that Respondent Sparkman's CRD record be expunged of all references to this matter.

### **OTHER ISSUES CONSIDERED & DECIDED**

Prior to the hearing, the parties fully and finally settled all claims by and between them. The parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original remains on file with NASD Dispute Resolution ("NASD").

### **AWARD**

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) This matter has been settled pursuant to a confidential settlement agreement;
- 2.) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Sparkman's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Sparkman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
- 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 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 = \$300.00

#### **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	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

### **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 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 a single arbitrator x \$450.00	= \$ 900.00
Pre-hearing conferences: April 29, 2004	1 session
May 13, 2004	1 session

One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: September 17, 2003	1 session

---

Total Forum Fees	= \$2,025.00
------------------	--------------

The Arbitration Panel has assessed \$1,012.50 of the forum fees to Vocational Homemaking Teacher's Association of Texas, Inc. a/k/a Vocational Home Economics Teacher's Association of Texas.

The Arbitration Panel has assessed \$1,012.50 of the forum fees jointly and severally to Raymond James & Associates, Inc. and Roy Sparkman.

### **Fee Summary**

Claimant, Vocational Homemaking Teacher's Association of Texas, Inc. a/k/a Vocational Home Economics Teacher's Association of Texas, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,012.50
Retention of Hearing Session Deposit	= \$ 112.50
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ .00

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

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less Payment	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ .00

Respondents, Raymond James & Associates, Inc., and Roy Sparkman, are jointly and severally liable for:

Forum Fees	= \$1,012.50
Total Fees	= \$1,012.50
Less payments	= \$ .00
Balance Due NASD Dispute Resolution	= \$1,012.50

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

**ARBITRATION PANEL**

J. Randle Henderson, Esq. – Non-Public Arbitrator, Presiding Chair  
Richard R. Nelson - Public Arbitrator  
Pamela B. Houck - Public Arbitrator

Concurring Arbitrators:

/s/ J. Randle Henderson  
J. Randle Henderson  
Non-Public Arbitrator, Presiding Chair

July 26, 2004  
Signature Date

/s/ Richard R. Nelson  
Richard R. Nelson  
Public Arbitrator

July 26, 2004  
Signature Date

/s/ Pamela B. Houck  
Pamela B. Houck  
Public Arbitrator

August 2, 2004  
Signature Date

August 2, 2004  
Date of Service (For NASD office use only)

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

<u>Member Fees</u>	= \$ 5,200.00
<u>Total Fees</u>	= \$ 5,200.00
<u>Less Payment</u>	= \$ 5,200.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ .00

Respondents, Raymond James & Associates, Inc., and Roy Sparkman, are jointly and severally liable for:

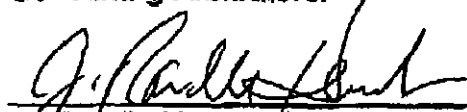
<u>Forum Fees</u>	= \$1,012.50
<u>Total Fees</u>	= \$1,012.50
<u>Less payments</u>	= \$ .00
<u>Balance Due NASD Dispute Resolution</u>	= \$1,012.50

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

**ARBITRATION PANEL**

J. Randle Henderson, Esq. - Non-Public Arbitrator, Presiding Chair  
Richard R. Nelson - Public Arbitrator  
Pamela B. Houck - Public Arbitrator

Concurring Arbitrators:

  
\_\_\_\_\_  
J. Randle Henderson  
Non-Public Arbitrator, Presiding Chair

7/26/04  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Richard R. Nelson  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Pamela B. Houck  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD office use only)

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

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less Payment	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ .00

Respondents, Raymond James & Associates, Inc., and Roy Sparkman, are jointly and severally liable for:

Forum Fees	= \$1,012.50
Total Fees	= \$1,012.50
Less payments	= \$ .00
Balance Due NASD Dispute Resolution	= \$1,012.50

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

**ARBITRATION PANEL**

J. Randle Henderson, Esq. – Non-Public Arbitrator, Presiding Chair  
Richard R. Nelson - Public Arbitrator  
Pamela B. Houck - Public Arbitrator

Concurring Arbitrators:

J. Randle Henderson  
Non-Public Arbitrator, Presiding Chair

Signature Date

  
Richard R. Nelson  
Public Arbitrator

July 26 - 2004  
Signature Date

Pamela B. Houck  
Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less Payment	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ .00

Respondents, Raymond James & Associates, Inc., and Roy Sparkman, are jointly and severally liable for:

Forum Fees	= \$1,012.50
Total Fees	= \$1,012.50
Less payments	= \$ .00
Balance Due NASD Dispute Resolution	= \$1,012.50

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

**ARBITRATION PANEL**

J. Randle Henderson, Esq. - Non-Public Arbitrator, Presiding Chair  
Richard R. Nelson - Public Arbitrator  
Pamela B. Houck - Public Arbitrator

Concurring Arbitrators:

\_\_\_\_\_  
J. Randle Henderson  
Non-Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Richard R. Nelson  
Public Arbitrator

\_\_\_\_\_  
Signature Date

Pamela B. Houck  
\_\_\_\_\_  
Pamela B. Houck  
Public Arbitrator

Jan 26 2004  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD office use only)