

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Michael Thomas Palamaro v. Raymond, James & Associates, Inc.

Case Number: 03-02008

Hearing Site: New York, NY

REPRESENTATION OF PARTIES

Claimant, Michael Thomas Palamaro, hereinafter referred to as "Claimant": Jonathan Sack, Sack & Sack, New York, NY.

Respondent, Raymond, James & Associates, Inc. hereinafter referred to as "Respondent": David J. Rice, In-House Counsel for Raymond, James & Associates, Inc., St. Petersburg, FL.

CASE INFORMATION

Statement of Claim filed on or about: March 20, 2003.

Claimant signed the Uniform Submission Agreement: March 19, 2003.

Statement of Answer filed by Respondent on or about: August 22, 2003.

Respondent signed the Uniform Submission Agreement on or about: August 22, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: (i) Defamation, and (ii) Failure to pay earned bonus.

Unless specifically admitted in its Answer, Respondent denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: (i) The Statement of Claim failed to state a claim upon which relief can be granted, (ii) Claimant is barred, in whole and part, by one or more applicable statute of limitations, (iii) Claimant is barred by one or more of the following doctrines; ratification; waiver; laches, ratification, the American Rule, failure to mitigate and unclean hands, (iv) Respondent had legitimate grounds for terminating the Claimant; and (v) Respondent's actions or inactions are not the legal or proximate cause of Claimant's damages, if any.

RELIEF REQUESTED

Claimant requested (i) An Award of payments due and owing from "bonus" earned between October 1, 2002 through December 31, 2002 which consisted of commissions generated from trading performed for Alliance Capital Management and Soros and Co. Hedge Fund; (ii) An Award requiring Respondents to amend and re-file the form U-5, removing the seriously damaging and untrue statements; (iii) An Award of liquidated damages of an additional 25% of the entire value of wages and benefits owed, as is authorized by New York Labor Law; (iv) An Award of interest at New York's statutory rate of 9% per annum; (v) An award of attorney's fees and costs are warranted in this matter, and (vi) An Award of punitive damages.

Respondent requested dismissal of the Statement of Claim in its entirety and that all fees and costs be assessed against the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

1. Respondent is liable for and shall pay to the Claimant commissions in the amount of \$67,000.00 plus interest in the amount of \$11,557.50.
2. Based on the defamatory nature recorded by the Respondent on Claimant's U-5 dated March 26, 2002, the Panel orders that the explanation provided in Section 3, "Reasons for Termination" be expunged and replaced with the following language: "Difference in working styles within Raymond James; not client related."

The expungement of the above listed information is being ordered from the NASD Central Registration Depository ("CRD") records based on the defamatory nature of the information.

3. Any and all relief not specifically addressed herein including Claimant's request for punitive damages is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$250.00
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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 persons at the time of the events giving rise to the dispute. In this matter, the member firm Raymond James Associates is a party.

Member Surcharge	= \$1,500.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$2,200.00</u>
Total Member Fees	= \$4,450.00

Forum Fees and Assessments

The 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. Forum fees associated with these proceedings are:

(1) Pre-hearing conference session with the Panel @ \$1,000.00 session	= \$1,000.00
Pre-hearing conference: Date: December 4, 2003 1 session	

Eight (8) Hearing sessions @ \$1,000.00	= \$8,000.00
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Hearing Dates:	June 2, 2004	2 sessions
	June 3, 2004	2 sessions
	June 4, 2004	2 sessions
	June 8, 2004	2 sessions

Total Forum Fees	= \$9,000.00
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1. The Panel has assessed \$4,500.00 of the forum fees against the Claimant.
2. The Panel has assessed \$4,500.00 of the forum fees against the Respondent.

Fee Summary

1. Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 250.00
<u>Forum Fees</u>	<u>= \$ 4,500.00</u>
Total Fees	= \$ 4,750.00
<u>Less payments</u>	<u>= \$ 1,250.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 3,500.00

2. Respondent be and is hereby solely liable for:

Member Fees	= \$ 4,450.00
<u>Forum Fees</u>	<u>= \$ 4,500.00</u>
Total Fees	= \$ 8,950.00
<u>Less payments</u>	<u>= \$ 4,450.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,500.00

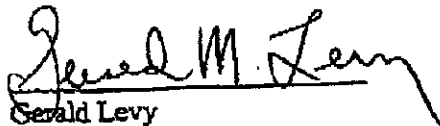
ARBITRATION PANEL

Howard Sobel	-	Public Arbitrator, Presiding Chair
Gerald Levy	-	Public Arbitrator
Orestes J. Mihaly	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Howard Sobel
Presiding Chair

Signature Date



Gerald Levy
Public Arbitrator

Signature Date



Orestes J. Mihaly
Non-Public Arbitrator

Signature Date

JULY 8, 2004

Date of Service (For NASD office use only)

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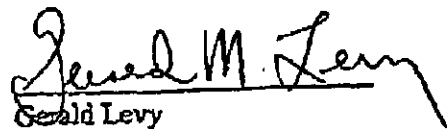
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