
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Morgan Keegan & Company, Inc.

Case Number: 03-02326

Name of the Respondent
David Addison

Hearing Site: Tampa, FL

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For Morgan Keegan & Company, Inc. ("Morgan"), hereinafter referred to as "Claimant": Shea O'Brien Hicks, Esq., Staff Attorney, Morgan, Memphis, TN.

Respondent David Addison ("Addison") appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: April 1, 2003.
Claimant signed the Uniform Submission Agreement: March 31, 2003.
Statement of Answer filed by Respondent on or about: October 7, 2003.
Respondent did not file an executed Uniform Submission Agreement.
Motion to Preclude filed by Claimant on or about: August 4, 2003.

CASE SUMMARY

Claimant asserted a claim for breach of contract based on Respondent's purported failure to repay two promissory notes he entered into with Claimant.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$154,304.90 plus pre-judgment interest, attorneys' fees, costs, and such additional and further relief as may be deemed just and appropriate.

Respondent requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

During the evidentiary hearing, the undersigned arbitrators (the "Panel") granted Claimant's Motion to Preclude Respondent from offering as exhibits those documents which Claimant had not seen due to Respondent's failure to produce any discovery and Respondent's failure to supply witness or exhibit lists. Therefore, Respondent was not permitted to use limited medical documents showing, purportedly, a disability. Otherwise, Respondent offered no documents.

Respondent Addison did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to 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 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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent Addison is liable for breach of contract for his failure to repay two promissory notes and shall pay to Claimant compensatory damages in the sum of \$230,520.00, inclusive of principal and accrued interest on both notes.

Respondent Addison is liable and shall pay to Claimant the sum of \$1,000.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Claimant is entitled to attorneys' fees pursuant to the attorneys' fees provisions in the promissory notes and related agreements. The amount of attorneys' fees to be awarded shall be determined by a court of competent jurisdiction.

Any and all claims for relief not specifically addressed herein are denied.

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
--------------------------	---------------

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 Morgan is a member firm and a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were granted during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were assessed during these proceedings.

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 the Panel @ \$1,125.00		= \$ 1,125.00
Pre-hearing conference:	September 25, 2003	1 session
One (1) Hearing session @ \$1,125.00		= \$ 1,125.00
Hearing Date:	March 23, 2004	1 session
<hr/> Total Forum Fees		= \$ 2,250.00

The Panel has assessed the total forum fees of \$2,250.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 6,200.00
<u>Less payments</u>	= \$ 6,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

<u>Forum Fees</u>	= \$ 2,250.00
Total Fees	= \$ 2,250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 2,250.00

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

ARBITRATION PANEL

John R. Kiefner, Jr., Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Marileigh F. Hensley	-	Non-Public Arbitrator
Norman L. Reiter	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
John R. Kiefner, Jr., Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Marileigh F. Hensley
Non-Public Arbitrator

Signature Date

/s/
Norman L. Reiter
Non-Public Arbitrator

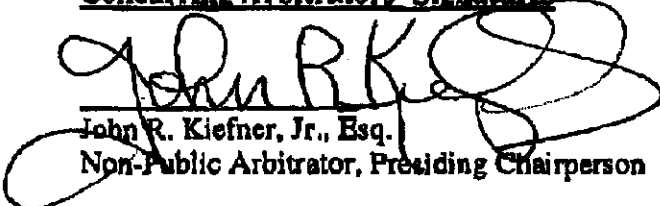
Signature Date

March 30, 2004
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

John R. Kiefner, Jr., Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Marileigh F. Hensley	-	Non-Public Arbitrator
Norman L. Reiter	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


John R. Kiefner, Jr., Esq.
Non-Public Arbitrator, Presiding Chairperson

3/29/04
Signature Date

Marileigh F. Hensley
Non-Public Arbitrator

Signature Date

Norman L. Reiter
Non-Public Arbitrator

Signature Date

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

Arbitration No. 03-02326

Award Page 4 of 4

ARBITRATION PANEL

John R. Kiefner, Jr., Esq.

Marileigh F. Hensley

Norman L. Reiter

Non-Public Arbitrator, Presiding Chairperson

Non-Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures

John R. Kiefner, Jr., Esq.

Non-Public Arbitrator, Presiding Chairperson

Signature Date

Marileigh F. Hensley

Non-Public Arbitrator

Signature Date

Norman L. Reiter

Non-Public Arbitrator

Norman L. Reiter

Signature Date

3-30-2004

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