

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 03-03772

Roger D. and Patricia H. Grant

Names of the Respondents

Hearing Site: Charlotte, North Carolina

Edward D. Jones & Co.  
John Francis Brosnan, III  
Raymond James Financial Services, Inc.

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Nature of the Dispute: Customers vs. Members and Associated Person.

**REPRESENTATION OF PARTIES**

Claimants, Roger D. and Patricia H. Grant, hereinafter collectively referred to as "Claimants", were represented by Donald M. Brown, Jr., Esq., Brown & Associates, PLLC, Charlotte, North Carolina.

Respondent, Edward D. Jones & Co. ("Edward Jones"), was represented by Timothy M. Huskey, Esq., Greensfelder, Hemker & Gale, PC, St. Louis, Missouri.

Respondents, John Francis Brosnan, III ("Brosnan"), and Raymond James Financial Services, Inc. ("Raymond James"), were represented by Christopher G. Lazarini, Esq., Tate, Lazarini & Beall, PLC, Memphis, Tennessee.

**CASE INFORMATION**

Statement of Claim filed on May 7, 2003.

Claimants signed the Uniform Submission Agreement on May 22, 2003.

Statement of Answer filed by Respondents Raymond James and Brosnan on July 29, 2003.

A representative of Respondent Raymond James executed the Uniform Submission Agreement on July 29, 2003.

Respondent Brosnan signed the Uniform Submission Agreement on June 12, 2003.

Statement of Answer filed by Respondent Edward Jones filed on August 22, 2003.

A representative of Respondent Edward Jones executed the Uniform Submission Agreement on June 10, 2003.

Respondent Edward Jones' Motion to Dismiss was filed on June 29, 2004.

Respondents Raymond James and Brosnan's Motion to Dismiss was filed on August 6, 2004.

Claimants' Motion for Protective Order and Response to Motion to Dismiss was filed on August

25, 2004.

Claimants' Response to Respondents' Motions to Dismiss filed on August 27, 2004.

Respondents Raymond James and Bosnan's Response to Claimants' Motion for a Protective Order was filed on August 30, 2004.

Respondent Edward Jones' Memorandum in Opposition to Claimants' Motion for Protective Order was filed on August 31, 2004.

#### CASE SUMMARY

In their Statement of Claim, Claimants asserted the following causes of action, among others: negligence, breach of fiduciary duty, investor suitability, and breach of contract. The causes of action relate to various unspecified securities.

Unless specifically admitted in their Answer, Respondents Brosnan and Raymond James denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a cause of action, assumption of risk, ratification, waiver, contributory or comparative negligence, Respondents acted in good faith, any losses were the result of superseding or intervening causes, and failure to mitigate.

Unless specifically admitted in its Answer, Respondent Edward Jones 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, waiver, statute of limitations, assumption of risk, contributory or comparative negligence, failure to mitigate, and Respondent had adequate supervisory mechanisms and safeguards in place.

#### RELIEF REQUESTED

Claimants in their Statement of Claim requested:

Compensatory Damages	\$182,000.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondent Edward Jones in its Statement of Answer requested that the claim be dismissed.

#### OTHER ISSUES CONSIDERED AND DECIDED

By Order dated September 8, 2004, the Panel ruled that Respondents' Motions to Dismiss and Claimants' Motion for Protective Order would be held in Abeyance.

At the hearing, Respondent Edward Jones made a Motion for Directed Verdict on Claimants' claims for negligence and breach of contract. The Claimants then withdrew those claims without objection from Respondents.

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

1. All claims against Respondents 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 = \$ 300.00

#### Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondents Raymond James and Edward Jones are parties.

#### Respondent Raymond James' Member Fees:

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

#### Respondent Edward Jones' Member Fees:

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 28-30, 2004, adjournment by Claimants = \$1,125.00

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:

Four (4) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$1,800.00

Pre-hearing conferences: February 17, 2004 1 session  
March 22, 2004 1 session  
April 23, 2004 1 session  
June 2, 2004 1 session

Two (2) Pre-hearing sessions with Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: January 13, 2004 1 session  
September 8, 2004 1 session

Five (5) Hearing sessions @ \$1,125.00 = \$5,625.00

Hearing Dates: March 29, 2005 2 sessions  
March 30, 2005 3 sessions

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Total Forum Fees = \$9,675.00

1. The Panel has assessed \$5,175.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$2,250.00 of the forum fees to Respondent Edward Jones.
3. The Panel has assessed \$2,250.00 of the forum fees jointly and severally to Respondents Raymond James and Brosnan.

EEE SUMMARY

1. Claimants are jointly and severally assessed and shall pay the following fees:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$1,125.00
Forum Fees	= \$5,175.00
Total Fees	= \$6,600.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$5,175.00

2. Respondent Edward Jones is assessed and shall pay the following fees:

Member Fees	= \$5,200.00
Forum Fees	= \$2,250.00
Total Fees	= \$7,450.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$2,250.00

3. Respondent Raymond James is assessed and shall pay the following fees:

Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondents Raymond James and Brosnan are jointly and severally assessed and shall pay the following fees:

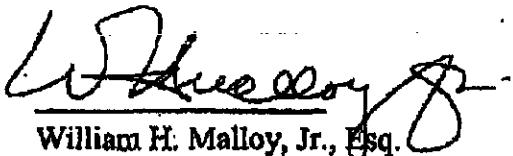
Forum Fees	= \$2,250.00
Total Fees	= \$2,250.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,250.00

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

ARBITRATION PANEL

William H. Malloy, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Thomas A. Tracy	-	Public Arbitrator, Panelist
Linda A. Allen	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



William H. Malloy, Jr., Esq.  
Public Arbitrator, Presiding Chairperson

April 13, 2005

Signature Date

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Thomas A. Tracy  
Public Arbitrator, Panelist

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Signature Date

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Linda A. Allen  
Non-Public Arbitrator, Panelist

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Signature Date

April 15, 2005

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

Concurring Arbitrators' Signatures

William H. Malloy, Jr., Esq.  
Public Arbitrator, Presiding Chairperson

Signature Date

Thomas A. Tracy

Thomas A. Tracy  
Public Arbitrator, Panelist

4/13/05

Signature Date

Linda A. Allen  
Non-Public Arbitrator, Panelist

Signature Date

April 15, 2005

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

Concurring Arbitrators' Signatures

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William H. Malloy, Jr., Esq.  
Public Arbitrator, Presiding Chairperson

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Signature Date

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Thomas A. Tracy  
Public Arbitrator, Panelist

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Signature Date

  
\_\_\_\_\_  
Linda A. Allen  
Non-Public Arbitrator, Panelist

4-13-05  
\_\_\_\_\_  
Signature Date

April 15 2005  
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Date of Service (For NASD Dispute Resolution office use only)