

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Mary Sprandel

Case Number: 03-05109

And

Raymond James Financial Services, Inc.

Hearing Site: Chicago, Illinois

Nature of dispute: Customer v Member firms.

REPRESENTATION OF PARTIES

Claimant, Mary Sprandel ("**Claimant**") was by Erwin Cohn, Esq. of the firm Cohn & Cohn located in Chicago, Illinois.

Respondents Raymond James Financial Services, Inc. and Raymond James & Associates, Inc. were represented by Christopher Aiello, Esq., Raymond James Financial Services, Inc. Office of Corporate Counsel, St. Petersburg, Florida, Respondent Patricia Heath was represented by Peter B. Shaeffer, Esq. of Chicago, Illinois (collectively, the "**Respondents**").

CASE INFORMATION

Claimants Statement of Claim was filed on or about July 16, 2003.
Claimants' Submission Agreement was signed on May 21, 2003.

Respondent Patricia Heath's Statement of Answer and Affirmative Defenses filed on September 4, 2003.

Respondent Patricia Heath's Uniform Submission Agreement signed on July 24, 2003.

Respondents Raymond James Financial Services, Inc. and Raymond James & Associates, Inc. Answer filed on September 17, 2003.

Respondents Raymond James Financial Services, Inc. and Raymond James & Associates, Inc. Uniform Submission Agreement signed on September 17, 2003

CASE SUMMARY

In her Statement of Claim, Claimant alleged breach of contract, fraud, breach of fiduciary duty, unsuitability, omissions, misrepresentations, negligence and failure to supervise. Claimant's allegations involved investments in mutual funds purchased in March and May 2000.

Each Respondent denied all allegations of wrongdoing as set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested as compensatory damages actual damages in the amount of \$500,000.00 and unspecified amounts for lost interest, disgorgement of commissions, pre- and post-judgment interest, punitive damages, costs and attorney's fees.

Respondents requested that the claims asserted against them be denied in their entirety. In addition, Respondent Raymond James & Associates, Inc. requested dismissal of the claims against it. Respondents requested an award of all costs and fees incurred in defending Claimant's claims, as well as an order of expungement of all references from Respondent Patricia J. Heath's record maintained with the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

On July 28, 2004 Claimant agreed to dismiss Raymond James and Associates.

The hearing on this matter commenced on April 13, 2005. Prior to opening statements, with the agreement of the Claimant, the arbitration panel dismissed all claims against Raymond James & Associates, Inc. After opening statements, the Claimant examined Patricia J. Heath. The examination of Patricia J. Heath concluded on April 14, 2005. On April 14, 2005, the parties entered into an agreement to settle this matter on certain terms and conditions set forth in a confidential General Release.

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

With respect to the Respondents' request for expungement, Claimant, through her counsel in the presence of Claimant, has advised the panel that she recommends and is in agreement with the expungement of all references to this arbitration from Respondent Patricia J. Heath's registration records maintained by the NASD Central Registration Depository ("CRD"). In addition, the panel has heard the testimony of Patricia J. Heath and considered the documents presented during that testimony.

STIPULATED AWARD

After considering the Parties' request for a Stipulated Award, but without making any findings of fact or conclusions of law, the Panel enters the following Stipulated Award in full and final resolution of the issues submitted for determination as follows:

1. Upon its motion, and with the agreement of the Claimant, all claims against Raymond James & Associates, Inc. are dismissed with prejudice.
2. Pursuant to the confidential General Release, Claimant's claims against Raymond James Financial Services, Inc. and Patricia J. Heath are dismissed in their entirety with prejudice.
3. The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Patricia J. Heath's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Patricia J. Heath must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. Other than Forum Fees, which are specified below, the parties shall each bear their own costs and expenses incurred in this matter.
5. Any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

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 event- giving rise to the dispute. Accordingly, Raymond James Financial Services and Raymond James and Associates are the respondent firms and are therefore liable for:

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

Adjournment Fees

Adjournments requested during these proceedings:

Pursuant to Rule 10309(b) of the Code of Arbitration Procedure, the Panel has assessed the three-day hearing cancellation fee in the amount of \$300.00 to be divided equally among the remaining parties:

Hearing Date April 15, 2005, adjournment by party:	= \$ 150.00
Claimant Sprandel and Raymond James Financial Services	= \$ 150.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators,

that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a sole arbitrator x \$ 450.00	= \$ 450.00
March 24, 2004	
One (1) Pre-hearing session with a the Panel x \$1,125.00	= \$1,125.00
October 15, 2004	
Pre-hearing conference: 1 session	
Four (4) Hearing sessions with the Panel x \$1,125.00	= \$ 4,500.00
April 13, 2005 2 sessions	
April 14, 2005 2 sessions	
<hr/> Total Forum Fees	<hr/> = \$ 6,075.00

1. The Panel has assessed \$3,037.50 of the forum fees to Claimant Mary Sprandel.
2. The Panel has assessed \$3,037.50 of the forum fees to Respondent Raymond James Financial Services and Patricia Heath jointly and severally.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,037.50
<u>Total Fees</u>	<u>= \$ 3,487.50</u>
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance Due to NASD Dispute Resolution	= \$ 2,062.50

Respondent Raymond James Financial Services is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 3,037.50
<u>Total Fees</u>	<u>= \$ 8,387.00</u>
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 3,187.00

Respondent Raymond James and Associates is solely liable for:

Member Fees	= \$ 5,200.00
<u>Total Fees</u>	<u>= \$ 5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

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ARBITRATION PANEL

Dr. Joseph P. Yaney - Public Arbitrator, Presiding Chair
Mary A. Duffy, Esq. - Public Arbitrator
Frank R. Niederman - Non-Public Arbitrator

Concurring Arbitrators:

Dr. Joseph P. Yaney
Public Arbitrator, Presiding Chair

Signature Date


Mary A. Duffy, Esq.
Public Arbitrator

8/31/05
Signature Date

Frank R. Niederman
Non-Public Arbitrator

Signature Date

Date of Service by NASD Dispute Resolution _____

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Public Arbitrator

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Non-Public Arbitrator


Signature Date

Date of Service by NASD Dispute Resolution 8/31/05