

**MODIFIED AWARD
NASD DISPUTE RESOLUTION**

In the Matter of the Arbitration Between:

Raymond James Financial Services, Inc. f/k/a Robert Thomas Securities, Inc. (Claimant) vs.
Michael J. Strasser (Respondent)

Case Number: 03-05842

SITUS: New York, New York.

NATURE OF DISPUTE: Member v. Associated Person.

REPRESENTATION OF PARTIES

Raymond James Financial Services, Inc. f/k/a Robert Thomas Securities, Inc. ("RJFS")
hereinafter referred to as "Claimant": Bruce W. Barnes, Esq., Bruce W. Barnes, P.A.,
Clearwater, FL.

Respondent Michael J. Strasser ("Strasser") hereinafter referred to as "Respondent" did not enter
an appearance in this matter.

DATE FILED: August 8, 2003.

CASE SUMMARY: Claimant alleged breach of employment agreement.

Claim Data

Claim:	\$2,977,113.49
Interest:	Unspecified
Attorney's Fees:	Unspecified
Costs:	Unspecified
Other:	Unspecified

Award Data

Award:	\$2,977,113.49
Interest:	\$ 194,726.32
Attorney's Fees:	\$0.00
Costs:	\$0.00
Other:	\$0.00

OTHER ISSUES:

By letter dated January 16, 2004, Claimant opted to proceed against the Respondent pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that the Respondent was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that the Respondent is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

In the matter of Raymond James Financial Services, Inc. f/k/a Robert Thomas Securities, inc. vs. Michael Strasser, this arbitration award is being rendered in accordance with NASD Rule 10314(e) governing Default Procedures. Claimant, represented by Bruce W. Barnes, filed its Statement of Claim and the Uniform Submission Agreement on or about August 8, 2003. Since

that time, the Respondent has not been located and, as such, has been unrepresented in this proceeding. Claimants unsuccessfully attempted to locate Respondent through a Process Server on two separate occasions.

Claimant avers that Respondent owes it \$2,977,113.49, plus accrued interest. Claimant asserts that the \$2,977,113.49 consists of a \$400,000.00 that was not repaid and \$2,577,113.49 for various customer complaints, including arbitration costs, settlement amounts paid, and other related legal expenses.

With respect to the portion of the claim related to the loan, Robert Thomas Securities allegedly loaned \$400,000.00 to Michael Strasser. Claimant submitted a copy of the Independent Sales Associate Agreement, dated July 27, 1998, as well as the Advanced Compensation Agreement, dated August 8, 1998, which were both signed by Respondent. The Advanced Compensation Agreement stipulated that Respondent Michael Strasser would repay the lump sum of \$400,000.00. Moreover, according to the Advanced Compensation Agreement, failure to repay the lump sum would render Respondent Michael Strasser liable for the lump sum of \$400,000.00, plus interest at the rate of 10% per annum, plus any costs of collection, including reasonable attorney's fees. An affidavit from Gregory C. Williams stated that the accrued interest amounted to \$194,726.32.

With respect to the portion of the claim related to other matters, Claimant avers that Respondent owed it \$2,577,113.49 for various complaints, including arbitration costs, settlement amounts paid, and other related legal expenses. On May 17, 2004, the Arbitrator issued an Award for Claimant for \$594,726.32, but noted with respect to the portion of the Award related to customer complaints, arbitrations, settlements, and legal fees that Claimant did not furnish information sufficient to evaluate those claims and their associated expenses. On July 16, 2004, Claimant filed a motion to reconsider the Award. At the behest of NASD staff, the full Panel ("Panel") reconsidered the ruling. Consequently, the Panel agreed with the reasoning issued in the Award dated May 17, 2004, reaffirming the award of \$594,726.32. Furthermore, the Panel discussed the evidence previously submitted and unanimously agreed that it did not provide a sufficient basis to award damages in excess of those awarded previously. Nevertheless, the Panel granted the motion to allow the Claimant an opportunity to present additional information.

Claimant subsequently provided information of sufficient basis to modify the Award. In accordance with NASD Rules 10330 and 10314(e)(6), this Arbitrator hereby awards Claimant a judgment for \$3,171,839.81, comprised of the \$400,000.00 loan, \$2,577,113.49 in various customer complaints, arbitration costs, settlement amounts paid, and other related legal expenses, plus accrued interest of \$194,726.32.

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent is liable for and shall pay to Claimant \$2,977,113.49. 2) Respondent is liable for and shall pay to Claimant interest in the amount of \$194,726.32. 3) All requests for attorney's fees are denied. 4) All other relief requests are denied.

FORUM FEES:

The \$2,000.00 filing fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

The Arbitrator 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 Panel @ \$1,200.00 = \$1,200.00
Pre-hearing conference: January 14, 2004 1 session

The Arbitrator has assessed \$600.00 of the forum fee against the Claimant and \$600.00 of the forum fee against the Respondent.

Pursuant to Rule 10314(e) of the Code, NASD Dispute Resolution assesses a \$300.00 forum fee for default claims exceeding \$25,000.00 in damages. This Arbitrator assessed this \$300.00 forum fee against the Claimant.

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. Accordingly, Raymond James Financial Services, Inc. f/k/a Robert Thomas Securities, Inc. is a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

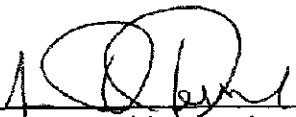
The arbitrator assessed \$900.00 of the forum fees against Claimant.

The arbitrator assessed \$600.00 of the forum fees against Respondent.

ARBITRATOR

Joseph Keith Kessel, Esq.

Sole Public Arbitrator




Joseph Keith Kessel, Esq.

1/31/05

Signature Date

I, Joseph Keith Kessel, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this is which is my award.



Joseph Keith Kessel, Esq.

February 10, 2005

Date of Service (For NASD-DR office use only)

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Clearwater, FL.

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an appearance in this matter.

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Claim Data

Claim:	\$2,977,113.49
Interest:	Unspecified
Attorney's Fees:	Unspecified
Costs:	Unspecified
Other:	Unspecified

Award Data

Award:	\$400,000.00
Interest:	\$194,726.32
Attorney's Fees:	\$.00
Costs:	\$.00
Other:	\$.00

OTHER ISSUES:

By letter dated January 16, 2004, Claimant opted to proceed against the Respondent pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that the Respondent was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that the Respondent is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

Claimant averred that Respondent owed it monies associated with a compensation agreement pursuant to which Robert Thomas Securities loaned Michael Strasser \$400,000. Claimant submitted a copy of the Independent Sales Associate Agreement, dated July 27, 1998, as well as the Advanced Compensation Agreement, dated August 8, 1998, which were both signed by

Respondent. The Advanced Compensation Agreement stipulated that Robert Strasser would repay the lump sum of \$400,000. Moreover, according to the Advanced Compensation Agreement, failure to repay the lump sum would render Robert Strasser liable for the lump sum of \$400,000, plus interest at the rate of 10% per annum, plus any costs of collection, including reasonable attorney's fees.

Claimant further averred that Respondent owed it \$2,577,113.49 for various customer complaints, including arbitration costs, settlement amounts paid and other related legal expenses. Claimant did not furnish information sufficient to evaluate such claims and any associated expenses.

In accordance with NASD Rules 10330 and 10314(e)(6), this Arbitrator hereby awards Claimant a judgment for \$594,726.32, comprised of the \$400,000 loan, plus accrued interest of \$194,726.32.

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent is liable for and shall pay to Claimant \$400,000.00. 2) Respondent is liable for and shall pay to Claimant interest in the amount of \$194,762.32. 3) All requests for attorney's fees are denied. 4) All other relief requests are denied.

FORUM FEES:

The \$2,000.00 filing fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

The Arbitrator 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:

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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. Accordingly, Raymond James Financial Services, Inc. f/k/a Robert Thomas Securities, Inc. is a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

The arbitrator assessed \$900.00 of the forum fees against Claimant.

The arbitrator assessed \$600.00 of the forum fees against Respondent.

ARBITRATOR

Joseph Keith Kessel, Esq.

Sole Public Arbitrator



Joseph Keith Kessel, Esq.

Signature Date

I, Joseph Keith Kessel, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this is which is my award.



Joseph Keith Kessel, Esq.

JULY 9, 2004
Date of Service (For NASD-DR office use only)