

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Claimant

Ruth Brewer

v.

03-06444

Denver, Colorado

Respondents

Raymond James Financial Services, Inc.  
and Lawrence M. Jones

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Nature of Dispute: Customer v. Member and Associated Person

**REPRESENTATION OF PARTIES**

Ruth Brewer ("Claimant") was represented by Robert A. Lees, Esq., of Robert A. Lees & Associates, Denver, Colorado.

Raymond James Financial Services, Inc. ("Raymond James") and Lawrence M. Jones ("Jones"), hereinafter referred to as "Respondents," were represented by Christopher M. Aiello, Esq., of Raymond James Financial Services, Inc., St. Petersburg, Florida.

**CASE INFORMATION**

The Statement of Claim was filed on or about August 29, 2003. The Submission Agreement of Claimant was signed on or about August 22, 2003.

The Statement of Answer was filed jointly by Respondents, Raymond James Financial Services, Inc., and Lawrence M. Jones, on or about December 4, 2003. The Submission Agreement of Respondent, Raymond James Financial Services, Inc., was signed on or about September 19, 2003. The Submission Agreement of Respondent, Lawrence M. Jones, was signed on or about September, 22, 2003.

Respondents filed a Motion to Dismiss or Motion for a More Definite Statement of Claim on or about November 17, 2003. Claimant filed a Response to the Motion to Dismiss or Motion for a More Definite Statement of Claim on or about January 5, 2004.

Respondents filed a Motion to Dismiss, Motion to Strike and Motion to Compel on or about January 20, 2004. Claimant filed a Response to the Motion to Dismiss Motion to Strike and Motion to Compel on or about January 25, 2004. Respondents filed a Reply to Claimant's Response to their Motion to Dismiss on or about February 1, 2005

### **CASE SUMMARY**

Claimant asserted causes of action including the following: suitability, failure to supervise, misrepresentations, omissions, and violations of the Colorado Consumer Protection Act. The causes of action related to Claimant's allegation that Respondents improperly invested her retirement funds in the Morgan Stanley Dean Witter High Income Advantage Trust and did not suggest stop loss prices to protect her investments if a market decline occurred.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimant's claims are barred by the applicable statutes of limitation; Claimant's claims are barred by the doctrines of laches; Claimant assumed the risks of investing in the securities and thus has no basis for any claim against Respondents; Claimant approved, authorized, ratified and/or acquiesced in the alleged acts, omissions, and misrepresentations, which form the basis of the subject complaint; Claimant cannot recover from Respondents because the handling of this account was in accordance with applicable brokerage industry standards, guidelines and regulatory requirements; and any injury, loss or damage to the Claimant was the result of superseding or intervening causes beyond the control of Respondents.

### **RELIEF REQUESTED**

Claimant requested an award of \$102,532.50 in compensatory damages, plus \$205,065.00 in treble damages, interest, costs, attorneys' fees and any other relief the panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondents requested that the panel order expungement of all references to this matter from Lawrence M. Jones' permanent registration record maintained by the Central Registration Depository ("CRD").

### **OTHER ISSUES CONSIDERED & DECIDED**

Prior to the hearing, the parties fully and finally settled all claims by and between them. As part of their settlement agreement, the parties submitted a Motion for a Stipulated Award to the Panel for its consideration and requested that it be entered.

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. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

### **AWARD**

After considering the pleadings and the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators orders as follows:

1. Claimant's claims, each and all, having been withdrawn, are dismissed with prejudice in their entirety;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Lawrence M. Jones' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Lawrence M. Jones must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. Any and all costs associated with the proceedings for expungement shall be the sole responsibility of the moving party;
4. By agreement of the parties, all costs of mediation will be assessed to Respondents; and
5. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, including punitive damages, are dismissed with prejudice.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain the non-refundable filing fee 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 firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is Raymond James Financial Services, Inc.

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

Hearing process fee = \$ 2,750.00

**Adjournment Fees**

Adjournments granted during these proceedings:

March 15-18, 2005 - Adjournment requested by Claimant  
(Fee Waived by the Panel) = \$ 1,125

September 7-9, 2005 - Adjournment requested by all parties  
(Fee Waived due to NASD Mediation Agreement) = \$ 1,125

**Forum Fees and Assessments**

The Arbitration 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. Fees associated with these proceedings are:

Three (3) Pre-hearing sessions with Panel x \$ 1,125 = \$ 3,375.00

Pre-hearing conferences:	03/12/2004	1 session
	02/15/2005	1 session
	03/15/2005	1 session

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Total Forum Fees = \$ 3,375.00

The Arbitration Panel has assessed \$ 1,687.50 of the forum fees to Ruth Brewer.

The Arbitration Panel has assessed \$ 1,687.50 of the forum fees, jointly and severally, to Raymond James Financial Services, Inc., and Lawrence M. Jones.

**EEE SUMMARY**

Claimant, Ruth Brewer, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,687.50
Total Fees	= \$ 1,987.50
Less payments	= \$ 1,550.00
Balance Due NASD Dispute Resolution	= \$ 437.50

Respondent, Raymond James Financial Services, Inc., is liable for:

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

Respondents, Raymond James Financial Services, Inc., and Lawrence M. Jones, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,687.50
Total Fees	= \$ 1,687.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

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

**ARBITRATION PANEL**

Claude M. Maer, Jr., Esq. - Public Arbitrator, Presiding Chair  
Donald P. Shwayder, Esq. - Public Arbitrator  
Edward F. Altman, Jr. - Non-Public Arbitrator

Concurring Arbitrators:

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Claude M. Maer, Jr., Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

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Donald P. Shwayder, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Edward F. Altman, Jr.  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

11/10/05  
Date of Service (NASD use only)



Respondent, Raymond James Financial Services, Inc., is liable for:

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

Respondents, Raymond James Financial Services, Inc., and Lawrence M. Jones, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,687.50
<u>Total Fees</u>	= \$ 1,687.50
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,687.50

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ARBITRATION PANEL

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Donald P. Shwayder, Esq. - Public Arbitrator  
Edward F. Altman, Jr. - Non-Public Arbitrator

Concurring Arbitrators:

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Claude M. Maer, Jr., Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

  
\_\_\_\_\_  
Donald P. Shwayder, Esq.  
Public Arbitrator

11/7/05  
\_\_\_\_\_  
Signature Date

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Edward F. Altman, Jr.  
Non-Public Arbitrator

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Signature Date

11/16/05  
\_\_\_\_\_  
Date of Service (NASD use only)

Respondent, Raymond James Financial Services, Inc., is liable for:

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

Respondents, Raymond James Financial Services, Inc., and Lawrence M. Jones, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,687.50
<u>Total Fees</u>	= \$ 1,687.50
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,687.50

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

ARBITRATION PANEL

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Donald P. Shwayder, Esq. - Public Arbitrator  
Edward F. Altman, Jr. - Non-Public Arbitrator

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Claude M. Maer, Jr., Esq.  
Public Arbitrator, Presiding Chair

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Signature Date

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Donald P. Shwayder, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
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Edward F. Altman, Jr.  
Non-Public Arbitrator

10-27-2005  
\_\_\_\_\_  
Signature Date

11/10/05  
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Date of Service (NASD use only)