

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of Claimants

Robert A. and Lynn E. Sagal

and

Case Number: 04-02099

Hearing Location: Houston, Texas

Names of Respondents

Raymond James Financial Services, Inc.,
and Raymond James Financial, Inc.

NATURE OF DISPUTE

Customers v. Member Firm and Non-Member

REPRESENTATION OF PARTIES

Robert A. and Lynn E. Sagal ("Claimants") were represented by David Bissinger, Esq., Wilson Fulkerson LLP, Houston, Texas.

Raymond James Financial Services, Inc. ("RJFS") and Raymond James Financial, Inc. ("RJF") were represented by Janiece Longoria, Esq., Ogden, Gibson, White, Broocks & Longoria, L.L.P., Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about March 29, 2004. The Submission Agreement of Claimants was signed on or about March 29, 2004.

The Statement of Answer was filed jointly by Respondents, Raymond James Financial Services, Inc. and Raymond James Financial, Inc., on or about June 15, 2005. Raymond James Financial Services, Inc., signed the Submission Agreement on or about September 17, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract, unsuitable securities, negligence, failure to supervise, DTPA, common law and statutory fraud, breach of fiduciary duty, and negligent misrepresentation. The causes of action related to the recommendation and purchase of various unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following affirmative defenses: failure to state a claim for which relief can be granted; statute of limitations; the doctrines of ratification, estoppel, waiver, and laches; neither a registered representative nor a broker-dealer is a guarantor of the results or profitability of transactions in a customer's account; damages did not arise from the actions of Respondents; Claimants controlled their own accounts, exercised independent decision making authority over their accounts, and have sole responsibility for any losses attributed to their investment decisions; the DTPA does not apply to the claims; failure to state a claim for breach of fiduciary duty; Claimants' damages, if any, were caused by unforeseeable market factors and conditions affecting the value of the securities in Claimants' accounts; Raymond James maintained an adequate and reasonable system of supervision, followed adequate and reasonable compliance procedures, and acted in good faith; Claimants either knew of the untruth or omission complained of, or alternatively, Respondents did not know, and in the exercise of reasonable care could not have known, of the untruth or omission complained of; Claimants are barred from recovery because their negligence contributed to the losses in an amount that would relieve Respondents of any liability; Claimants are barred from recovery due to their failure to mitigate their damages; Respondents relied on Claimants representations regarding their investment strategy and tolerance for risk; and Respondents did not engage in any conduct that would justify an award of compensatory damages or punitive damages under any theory of relief.

RELIEF REQUESTED

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$500,000
Punitive/Exemplary Damages	Unspecified
Attorneys' Fees	Unspecified
Interest	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs, attorneys' fees, and that this matter be expunged from the CRD record of William T. Scott.

OTHER ISSUES CONSIDERED AND DECIDED

This case settled prior to hearing, and Claimants and Respondents have executed a Settlement Agreement and Release, which included an agreement that this matter be expunged from the CRD record of William T. Scott.

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 original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

1. Claimants' claims against Respondents are hereby dismissed with prejudice;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from William T. Scott's 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, William T. Scott must obtain confirmation from a court of competent jurisdiction before the NASD will execute the expungement directive;
3. Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
4. Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied 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
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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 RBC Dain Rauscher, Inc.

Member surcharge	= \$ 1,700
Pre-hearing process fee	= \$ 750
Hearing process fee	= \$ 2,750

Adjournment Fees

Adjournments granted during these proceedings:

June 13-17, 2005, adjournment requested jointly (waived – parties participated in NASD Mediation)	= \$ 1,125
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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 Panel @ \$1,125 = \$ 1,125
Pre-hearing conference: September 7, 2004 1 session

Total Forum Fees = \$ 1,125

The Arbitration Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.

The Arbitration Panel has assessed \$562.50 of forum fees jointly and severally to Respondents.

SEE SUMMARY

Claimants, Robert and Lynn Sagal, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 1,425.00
Refund Paid to Claimants	= \$ 562.50

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

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 5,762.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Charles E. Munson, Jr., JD- Public Arbitrator, Presiding Chairperson
Sharon Jevett Hemphill, Esq.- Public Arbitrator
Walter F. Schleyer - Non-Public Arbitrator

Concurring Arbitrators

/s/ Charles E. Munson, Jr. JD
Charles E. Munson, Jr., JD
Public Arbitrator, Presiding Chairperson

October 21, 2005
Signature Date

/s/ Sharon Jevett Hemphill, Esq.
Sharon Jevett Hemphill, Esq.
Public Arbitrator

October 24, 2005
Signature Date

/s/ Walter F. Schleyer
Walter F. Schleyer
Non-Public Arbitrator


October 20, 2005
Signature Date

October 26, 2005
Date of Service (For NASD Dispute Resolution use only)

ARRIVATION PANEL

Charles E. Mumson, Jr., JD- Public Arbitrator, Presiding Chairperson
Sharon Jevett Hemphill, Esq.- Public Arbitrator
Walter F. Schleyer - Non-Public Arbitrator

Concurring Arbitrators


Charles E. Munson, Jr., JD
Public Arbitrator, Presiding Chairperson

Sharon Jevert Hemphill, Esq.
Public Arbitrator

Walter F. Schleyer
Non-Public Arbitrator

10/21/05
Signature Date

Signature Date

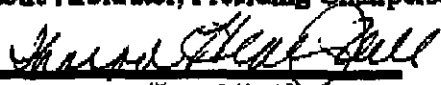
Signature Date

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Charles E. Munson, Jr., JD- Public Arbitrator, Presiding Chairperson
Sharon Jevett Hemphill, Esq.- Public Arbitrator
Walter F. Schleyer - Non-Public Arbitrator

Concurring Arbitrators

Charles E. Munson, Jr., JD
Public Arbitrator, Presiding Chairperson


Sharon Jevett Hemphill, Esq.
Public Arbitrator

Walter F. Schleyer
Non-Public Arbitrator

Signature Date

10-24-05

Signature Date

Signature Date

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Charles E. Munson, Jr., JD- Public Arbitrator, Presiding Chairperson
Sharon Jevett Hemphill, Esq.- Public Arbitrator
Walter F. Schleyer - Non-Public Arbitrator

Concurring Arbitrators

Charles E. Munson, Jr., JD
Public Arbitrator, Presiding Chairperson

Signature Date

Sharon Jevett Hemphill, Esq.
Public Arbitrator

Signature Date


Walter F. Schleyer
Non-Public Arbitrator


Signature Date

Date of Service (For NASD Dispute Resolution use only)