

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

---

In the Matter of the Arbitration Between:

Ygnacio M. Calderon and Ygnacio Mike Calderon, IRA, Claimants v. Raymond James Financial Services, Inc. and James R. Chaffee, Respondents

Case Number: 04-04830

Hearing Site: Seattle, Washington

---

Nature of the Dispute: Customers v. Member and Associated Person

**REPRESENTATION OF PARTIES**

For Claimants:

Richard M. Layne, Esq.  
Layne & Lewis LLP  
Portland, Oregon

For Respondents:

Joseph Larrinaga, Esq.  
Raymond James Financial  
Services, Inc.  
St. Petersburg, Florida

**CASE INFORMATION**

Statement of Claim filed: July 2, 2004

Claimant's Arbitration Brief filed: July 1, 2005

Claimants' Joint Uniform Submission Agreement signed: July 1, 2004

Joint Statement of Answer filed by Respondents: September 27, 2004

Respondent Raymond James Financial Services, Inc.'s Pre-Hearing Brief filed: July 1, 2005

Respondent Raymond James Financial Services, Inc.'s Uniform Submission Agreement signed:  
July 12, 2004

Respondent James R. Chaffee's Uniform Submission Agreement signed: September 16, 2004

**CASE SUMMARY**

Claimants alleged breach of fiduciary duty, negligence, breach of contract, and violation of the Washington Securities Act. Claimants' allegations involved the purchase of technology and telecommunication stocks for his accounts.

Respondents denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested unspecified compensatory damages or in the alternative, rescission of transactions that were completed in violation of the Washington Securities Act, pre-judgment interest and costs, including attorney's fees.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, expungement of this matter from Respondents' CRD records, and costs, including attorney's fees and forum fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

During the hearing, the Panel reviewed and considered the positions of the parties relative to Respondents' Motion for a Directed Verdict at the close of Claimants' case, based on running of statute of limitations and insufficient evidence. The Panel unanimously denied the Motion without prejudice after executive session.

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondents Raymond James Financial Services, Inc. and James R. Chaffee are jointly and severally liable to and shall pay to Claimant Ygnacio M. Calderon the sum of \$147,886.44 in compensatory damages.
- 2) Respondents Raymond James Financial Services, Inc. and James R. Chaffee are jointly and severally liable to and shall pay Claimants the sum of \$250.00 as reimbursement for Claimants' filing fee.
- 3) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

**FEES**

Pursuant to the Code, the following fees are assessed:

**Filing Fees**

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ 250.00

**Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Raymond James Financial Services, Inc. is a party, and the following fees are assessed:

Member Surcharge = \$1,500.00

Pre-Hearing Process Fee = \$ 750.00

Hearing Process Fee = \$2,200.00

**Total Member Fees** = \$4,450.00

**Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

Two (2) pre-hearing conference sessions with a single arbitrator @ \$ 450.00/session = \$900.00

Pre-hearing conferences: January 31, 2005 1 session

June 7, 2005 1 session

One (1) pre-hearing conference session with the Panel @ \$1,000.00/session = \$1,000.00

Pre-hearing conference: November 1, 2004 1 session

Four (4) Hearing sessions @ \$1,000.00/session =  
\$4,000.00

Hearings: July 12, 2005 2 sessions

July 13, 2005 2 sessions

---

**Total Forum Fees** = \$5,900.00

The Panel assessed the \$5,900.00 in forum fees jointly and severally to Respondents Raymond James Financial Services, Inc. and James R. Chaffee.

**Fee Summary**

1. Claimants Ygnacio M. Calderon and Ygnacio Mike Calderon, IRA are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 250.00
<u>Less payments</u>	= \$( 1,250.00)
<b>Refund Due Claimants</b>	<b>= \$( 1,000.00)</b>

2. Respondent Raymond James Financial Services, Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
<u>Less payments</u>	= \$( 4,450.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

3. Respondents Raymond James Financial Services, Inc. and James R. Chaffee are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 5,900.00
<u>Less Payments</u>	= \$( 0.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 5,900.00</b>

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

NASD Dispute Resolution

Arbitration No. 04-04830

Award Page 5 of 5

ARBITRATION PANEL

*Craig Charles Beles, Esq.*

*Robert M. Stein, Esq.*

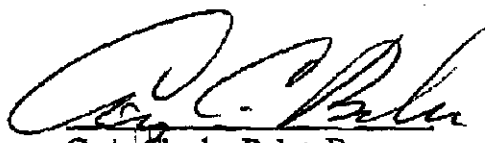
*Michael W. Reinhardt*

*Public Arbitrator, Presiding Chair*

*Public Arbitrator*

*Non-Public Arbitrator*

Concurring Arbitrators' Signatures

  
Craig Charles Beles, Esq.  
Chair, Public Arbitrator

7/18/05  
Signature Date

Robert M. Stein, Esq.  
Public Arbitrator

Signature Date

Michael W. Reinhardt  
Non-Public Arbitrator

Signature Date

7/18/05  
Date of Service

NASD Dispute Resolution  
Arbitration No. 04-04830  
Award Page 5 of 5

**ARBITRATION PANEL**

*Craig Charles Beles, Esq.*  
*Robert M. Stein, Esq.*  
*Michael W. Reinhardt*


-  
-  
-

*Public Arbitrator, Presiding Chair*  
*Public Arbitrator*  
*Non-Public Arbitrator*

**Concurring Arbitrators' Signatures**

Craig Charles Beles, Esq.  
Chair, Public Arbitrator

Signature Date

  
Robert M. Stein, Esq.  
Public Arbitrator

7-18-2005  
Signature Date

Michael W. Reinhardt  
Non-Public Arbitrator

Signature Date

7/18/05  
Date of Service

NASD Dispute Resolution  
Arbitration No. 04-04830  
Award Page 5 of 5

**ARBITRATION PANEL**

*Craig Charles Beles, Esq.*  
*Robert M. Stein, Esq.*  
*Michael W. Reinhardt*

-  
-  
-

*Public Arbitrator, Presiding Chair*  
*Public Arbitrator*  
*Non-Public Arbitrator*

**Concurring Arbitrators' Signatures**

Craig Charles Beles, Esq.  
Chair, Public Arbitrator

Signature Date

Robert M. Stein, Esq.  
Public Arbitrator

Signature Date

*Michael W. Reinhardt*  
Michael W. Reinhardt  
Non-Public Arbitrator

7/15/05  
Signature Date

7/18/05  
Date of Service