

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Frank Paddeau (Claimant) v. Janney Montgomery Scott, LLC and James Pascoe (Respondents)

Case Number: 04-04881

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant Frank Paddeau ("Paddeau") hereinafter referred to as "Claimant": Matt Tuttle, Riverside, CT.

Respondents Janney Montgomery Scott, LLC ("JMS") and James Pascoe ("Pascoe") hereinafter collectively referred to as "Respondents": Carrie L. Chelko, Esq., Janney Montgomery Scott, LLC, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on or about: July 6, 2004.

Response to Motion to Dismiss filed on or about: October 1, 2004.

Claimant signed the Uniform Submission Agreement: June 26, 2004.

Joint Statement of Answer and Motion to Dismiss filed by Respondents on or about: September 17, 2004.

Respondent JMS signed the Uniform Submission Agreement: September 17, 2004.

Respondent Pascoe signed the Uniform Submission Agreement: September 24, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: churning; negligence; and suitability. The causes of action relate to real estate investment trusts.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$70,000.00 and costs.

Respondents requested that Claimant's claims be denied in all respects; costs, including attorneys' fees; and an Order expunging all references to these claims from the Respondents' Central Registration Depository ("CRD") records.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 17, 2004, Respondents made a motion to dismiss. On or about October 1, 2004, Claimant responded to the motion. On or about December 16, 2004, the Panel convened for an executive session regarding Respondents' motion to dismiss and determined to grant the motion and ordered expungement of Respondent Pascoe's and Respondent JMS' CRD records.

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.

AWARD

After considering the pleadings, and Respondents' motion to dismiss and Claimant's response thereto, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The claims of Claimant are dismissed in their entirety.
2. Any and all relief not specifically addressed herein is denied.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Janney Montgomery Scott, LLC's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Janney Montgomery Scott, LLC must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the Arbitration Panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent James Pascoe's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent James Pascoe must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the Arbitration Panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$225.00

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. Accordingly, Janney Montgomery Scott, LLC is a party.

Member surcharge = \$1,100.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$1,700.00

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 Panel @ \$750.00 = \$750.00

Pre-hearing conference: November 18, 2004 1 session

Total Forum Fees = \$750.00

1. The Panel has assessed \$750.00 of the forum fees against Claimant.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee = \$ 225.00

Forum Fees = \$ 750.00

Total Fees = \$ 975.00

Less payments = \$ 975.00

Balance Due NASD Dispute Resolution = \$ 0.00

2. Respondent JMS is solely liable for:

<u>Member Fees</u>	= \$3,550.00
<u>Total Fees</u>	= \$3,550.00
<u>Less payments</u>	= \$3,550.00
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.

ARBITRATION PANEL


Arthur Mantis	-	Public Arbitrator, Presiding Chairperson
Melvin S. Slade, Esq.	-	Public Arbitrator
Paul Giappone, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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 instrument which is my award.

Arthur Mantis
Public Arbitrator, Presiding Chairperson

Signature Date



Melvin S. Slade, Esq.
Public Arbitrator

Signature Date

Paul Giappone, Esq.
Non-Public Arbitrator

Signature Date

January 20, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Arthur Mantis	-	Public Arbitrator, Presiding Chairperson
Melvin S. Slade, Esq.	-	Public Arbitrator
Paul Giappone, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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 instrument which is my award.

Arthur Mantis

Arthur Mantis
Public Arbitrator, Presiding Chairperson

1/13/05
Signature Date

Melvin S. Slade, Esq.
Public Arbitrator

Signature Date

Paul Giappone, Esq.
Non-Public Arbitrator

Signature Date

January 20, 2005

Date of Service (For NASD Dispute Resolution use only)