
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Benton Pumpian

Case Number: 04-05037

Names of the Respondents
Janney Montgomery Scott LLC

Hearing Site: Boca Raton, FL

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Benton Pumpian ("Pumpian"), hereinafter referred to as "Claimant": Scott L. Silver, Esq., Blum, Silver & Schwartz, LLP, Coral Springs, Florida.

For Janney Montgomery Scott LLC ("JMS"), hereinafter referred to as "Respondent": Paula Shaffner, Saul Ewing, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: July 9, 2004.

Claimant signed the Uniform Submission Agreement: July 5, 2004.

Statement of Answer filed by Respondent on or about: October 7, 2004.

Respondent signed the Uniform Submission Agreement: October 13, 2004.

Motion to Dismiss filed by Respondent on or about: March 10, 2005.

Response to Motion to Dismiss filed by Claimant on or about: March 24, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: 1) violation of NYSE's Rule 405; 2) violation of NASD's Rule 2310; 3) breach of contract; 4) breach of fiduciary duty; 5) common law fraud; 6) negligence; and 7) negligent hiring, retention and supervision of employees. The causes of action relate to the purchase of V-One Stock on behalf of Claimant.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$50,000.00, plus interest or reasonable market return, rescission, punitive damages, the costs of this proceeding and such other relief as is deemed just and proper.

Respondent requested that all claims against it be dismissed and that all costs of the proceeding, including attorney's fees be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

At the commencement of the evidentiary hearing on March 29, 2005, the undersigned arbitrator (the "Arbitrator") denied Respondent's Motion to Dismiss filed on or about March 10, 2005.

At the conclusion of Claimant's presentation of evidence during the evidentiary hearing on March 30, 2005, the Arbitrator granted Respondent's ore tenus "Motion to Dismiss or non-pros" for Claimant's failure to meet his burden of proof.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, (and the post-hearing submissions) the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are dismissed in their entirety.
2. Any and all claims for relief not specifically addressed herein, including Respondent's request for attorney's fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 175.00
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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 persons at the time of the events giving rise to the dispute. Accordingly, Respondent JMS is a member firm and a party.

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$1,000.00</u>
Total Member Fees	= \$2,625.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred during these proceedings.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

No three-day cancellation fees were incurred during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred during these proceedings.

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences:	
October 26, 2004	1 session
January 17, 2005	1 session
Three (3) Hearing sessions @ \$450.00	= \$1,350.00
Hearing Dates:	
March 29, 2005	2 sessions
March 30, 2005	1 session
Total Forum Fees	= \$2,250.00

The Arbitrator has assessed \$1,125.00 of the forum fees to Claimant.

The Arbitrator has assessed \$1,125.00 of the forum fees to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee = \$ 175.00

<u>Forum Fees</u>	= \$1,125.00
<u>Total Fees</u>	= \$1,300.00
<u>Less payments</u>	= \$ 625.00
Balance Due NASD Dispute Resolution	= \$ 675.00

Respondent is solely liable for:

<u>Member Fees</u>	= \$2,625.00
<u>Forum Fees</u>	= \$1,125.00
<u>Total Fees</u>	= \$3,750.00
<u>Less payments</u>	= \$2,625.00
Balance Due NASD Dispute Resolution	= \$1,125.00

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

ARBITRATOR

Janet Logan Friesecke, Esq. - Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/
Janet Logan Friesecke, Esq.
Public Arbitrator, Presiding Chairperson

April 4, 2005
Signature Date

April 5, 2005
Date of Service (For NASD Dispute Resolution office use only)

<u>Forum Fees</u>	= \$1,125.00
<u>Total Fees</u>	= \$1,300.00
<u>Less payments</u>	= \$ 625.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 675.00

Respondent is solely liable for:

<u>Member Fees</u>	= \$2,625.00
<u>Forum Fees</u>	= \$1,125.00
<u>Total Fees</u>	= \$3,750.00
<u>Less payments</u>	= \$2,625.00
<u>Balance Due NASD Dispute Resolution</u>	= \$1,125.00

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

ARBITRATOR

Janet Logan Friessecke, Esq.

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Public Arbitrator, Presiding Chairperson

Arbitrator's Signature



Janet Logan Friessecke, Esq.
Public Arbitrator, Presiding Chairperson

4/4/05

Signature Date

Date of Service (For NASD Dispute Resolution office use only)