

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Margaret Coddling, Claimant v. Raymond James Financial Services Inc., Legacy Financial Services, Inc., Investors Capital Corp., and James C. Abel, Jr., Respondents

Case Number: 03-05945

Hearing Site: Salt lake City, Utah

Nature of the Dispute: Customer v. Members and Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Janet M. Richmond, Esq.
Loss Recovery Center
Incline Village, Nevada

For Respondents Raymond
James Financial Services, Inc.
and James C. Abel, Jr.:

Chad Weaver, Esq.
Edgerton & Weaver
Hermosa Beach, California

For Respondent Investors
Capital Corp.:

David A. Baugh, Esq.
Mora Baugh Waltzman &
Unger, LLC
Chicago, Illinois

For Respondent Legacy Financial
Services, Inc.

Ann M. Foley
Legacy Financial Services,
Inc.
Petaluma, California

CASE INFORMATION

Statement of Claim filed: August 15, 2003

Amended Statement of Claim filed: September 3, 2003

Claimant's Uniform Submission Agreement signed: August 1, 2003

Joint Statement of Answer filed by Respondents Raymond James Financial Services, Inc. and James C. Abel, Jr. received: October 28, 2003

Respondent Raymond James Financial Services, Inc.'s Uniform Submission Agreement signed: August 27, 2003

Respondent James C. Abel, Jr.'s Uniform Submission Agreement signed: August 26, 2003

Statement of Answer and Motion to Dismiss by Respondent Investors Capital Corp. received: December 29, 2003

Respondent Investors Capital Corp.'s Uniform Submission Agreement signed: November 10, 2003

Respondent Legacy Financial Services, Inc.'s Uniform Submission Agreement: None filed.

CASE SUMMARY

In her Initial and Amended Statements of Claim, Claimant alleged breach of contract, breach of fiduciary duty, unsuitability, unauthorized trading, and failure to supervise. Claimant's allegations involved transactions in her margin account involving investments in unspecified securities.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$250,000.00, unspecified punitive damages, pre and post-judgment interest, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statements of Claim in thier entirety, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 3, 2003, Claimant amended her Statement of Claim and dismissed with prejudice all claims against Respondent Legacy Financial Services, Inc. Claimant asserted that Legacy Financial Services, Inc. was named in error. Claimant named Respondent Investors Capital Corp. in place of Legacy Financial Services, Inc.

In or about August, 2004, Claimant dismissed all claims against Respondent Investors' Capital Corp.

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 C. Abel, Jr. are jointly and severally liable to and shall pay Claimant the sum of \$33,000.00 in compensatory damages.
- 2) Respondents are jointly and severally liable to and shall pay Claimant the sum of \$15,000.00 in attorney's fees, pursuant to Utah Statute and the Account Agreement.
- 3) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 4) Respondents Raymond James Financial Services, Inc. and James C. Abel, Jr. are jointly and severally liable to and shall pay Claimant interest at a rate of 10% per annum on the sum of \$33,000.00 from December 31, 2001 to November 18, 2004 in the sum of \$9,636.00.
- 5) Claimant's claim for punitive damages is denied.
- 6) 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	= \$ 300.00
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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	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$2,750.00
Total Member Fees	= \$5,200.00

The member firm Investors Capital Corp. is a party and the following fees are assessed:

Member Surcharge	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

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:

(2) Pre-hearing conference sessions with the Panel @ \$1,125.00/session = \$2,250.00

Pre-hearing conferences: March 1, 2004 1 session
 April 6, 2004 1 session

(6) Hearing sessions @ \$1,125.00/session = \$ 6,750.00

Hearings: November 16, 2004 2 sessions
 November 17, 2004 2 sessions
 November 18, 2004 2 sessions

Total Forum Fees = **\$9,000.00**

The Panel assessed \$9,000.00 of the forum fees jointly and severally to Raymond James Financial Services, Inc. and James C. Abel, Jr.

Fee Summary

1. Claimant is charged with the following fees and costs:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
Funds applied to Mediation Fees	= \$ 250.00
<u>Less payments</u>	<u>= \$(1,425.00)</u>
Refund Due Claimant	= \$(825.00)

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

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

3. Respondent Investors Capital Corp. is charged with the following fees and costs:
- | | |
|--|------------------|
| Member Fees | = \$ 5,200.00 |
| Less payments | = \$(5,200.00) |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |
4. Respondents Raymond James Financial Services, Inc. and James C. Abel, Jr. are charged jointly and severally with the following fees and costs:
- | | |
|--|---------------------|
| Forum Fees | = \$9,000.00 |
| Balance Due NASD Dispute Resolution | = \$9,000.00 |

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. 03-05945
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ARBITRATION PANEL

Eugene R. Nielson
Langdon T. Owen, Jr., Esq.
Neal W. Stephenson

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

Concurring Arbitrators' Signatures


Eugene R. Nielson
Chair, Public Arbitrator

11-24-04
Signature Date

Langdon T. Owen, Jr., Esq.
Public Arbitrator

Signature Date

Neal W. Stephenson
Non-Public Arbitrator

Signature Date

11/24/04
Date of Service

ARBITRATION PANEL

Eugene R. Nickson
Langdon T. Owen, Jr., Esq.
Neal W. Stephenson

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

Concurring Arbitrators' Signatures:

Eugene R. Nickson
Chair, Public Arbitrator

Signature Date


Langdon T. Owen, Jr., Esq.
Public Arbitrator

Nov. 24, 2004
Signature Date

Neal W. Stephenson
Non-Public Arbitrator

Signature Date

11/24/04
Date of Service

ARBITRATION PANEL

Eugene R. Nielson	-	Public Arbitrator, Presiding Chair
Langdon T. Owen, Jr, Esq.	-	Public Arbitrator
Neal W. Stephenson	-	Non-Public Arbitrator

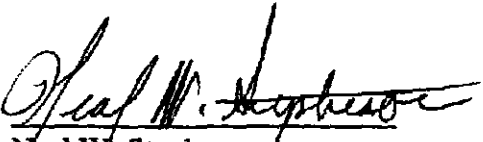
Concurring Arbitrators' Signatures

Eugene R. Nielson
Chair, Public Arbitrator

Signature Date

Langdon T. Owen, Jr., Esq.
Public Arbitrator

Signature Date


Neal W. Stephenson
Non-Public Arbitrator

9/6/05
Signature Date

Date of Service