
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Kaye Strickland-Perez

Case Number: 04-08106

Names of the Respondents

Stephen Williams

Raymond James Financial Services, Inc.

Edward Jones and Company

American Skandia Marketing, Inc.

Hearing Site: Birmingham, Alabama

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

REPRESENTATION OF PARTIES

For Kaye Strickland-Perez ("Strickland-Perez"), hereinafter referred to as "Claimant": Richard S. Frankowski, Esq., Whatley Drake, LLC, Birmingham, Alabama.

For Respondent Raymond James Financial Services, Inc. ("RJFS"): Erin Linehan, Esq., Raymond James Financial Services, Inc., St. Petersburg, Florida.

For Respondent Edward Jones and Company ("Edward Jones"): Davis Simmons, Esq., Greensfelder, Hemker & Gale, P.C., St. Louis, Missouri.

For Respondent Stephen Williams ("Williams") with respect to the allegations concerning the time period when Respondent Williams was registered with Respondent Edward Jones: Davis Simmons, Esq., Greensfelder, Hemker & Gale, P.C., St. Louis, Missouri. With respect to the allegations concerning the time period when Respondent Williams was registered with Respondent RJFS: Erin Linehan, Esq., Raymond James Financial Services, Inc., St. Petersburg, Florida.

Respondent American Skandia Marketing, Inc. ("American Skandia") did not appear in this matter.

CASE INFORMATION

Statement of Claim filed on or about: November 24, 2004.

Claimant signed the Uniform Submission Agreement: October 30, 2004.

Answer and Defenses to the Statement of Claim and Motion for a More Definite Statement filed by Respondents Williams and RJFS on or about: October 6, 2004.

Respondent Williams signed the Uniform Submission Agreement: January 28, 2005.

Respondent RJFS signed the Uniform Submission Agreement: January 31, 2005.

Motion to Dismiss or, in the alternative, Motion for More Definite Statement and Original

Answer filed by Hartford Life and Annuity Insurance Company ("Hartford") on or about: January 21, 2005.

Hartford did not submit an executed Uniform Submission Agreement.

Motion to Dismiss the Statement of Claim filed by Respondents Edward Jones and Williams on or about: February 1, 2005.

Answer and Affirmative Defenses to the Statement of Claim and Motion for More Definite Statement filed by Respondents Edward Jones and Williams on or about: March 7, 2005.

Respondent Edward Jones did not submit an executed Uniform Submission Agreement.

Respondent American Skandia did not submit a Statement of Answer or executed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of fiduciary duty; 2) unsuitability; 3) negligence; 4) fraud; 5) violation of state and federal securities laws; 6) violation of NASD and NYSE rules; and 7) failure to supervise. The causes of action relate to Claimant's investments in, including but not limited to, unspecified variable annuities and long-term care insurance.

Unless specifically admitted in their Answers, Respondents Edward Jones, Williams and RJFS, and Hartford, denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount according to proof, but not less than \$800,000.00; 2) disgorgement and restitution of all earnings, profits, compensation and benefits received by Respondents; 3) lost opportunity cost of what the investments would have earned if suitably invested; 4) attorneys' fees; 5) costs; 6) pre and post judgment interest; 7) punitive damages in an amount according to proof; 8) rescission of the annuities; and 9) such other relief as the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents Williams and RJFS requested: 1) that Claimant's claims be dismissed in their entirety; 2) that the Panel enter an award in their favor; 3) that the Panel assess all forum fees, costs, attorneys' fees, expert fees, and any other cost against Claimant; 4) expungement of this claim from the NASD Central Registration Depository ("CRD") records of Respondents; and 5) such other and further relief as the Panel deemed just and proper.

Hartford requested: 1) that Hartford be dismissed from this arbitration proceeding; 2) that Claimant take nothing from her Statement of Claim and that judgment be entered in Hartford's favor; 3) costs, expenses and attorneys' fees in defending this action; and 4) such other relief as deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Edward Jones and American Skandia did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements, but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code"), and are bound by the determination of the Panel on all issues submitted.

Claimant asserted claims against Stephen Williams Investment Services, Inc. ("Williams Investment"), Hartford and DATAlynx who are not members of NASD and who did not voluntarily submit to arbitration and to the jurisdiction of NASD. Therefore, the Panel made no determination with respect to Williams Investment, Hartford and DATAlynx.

On or about March 30, 2005, Claimant filed with NASD Dispute Resolution her Stipulation of Dismissal, with prejudice, as to all claims against Respondent American Skandia and Hartford.

On or about April 6, 2005, Claimant filed her Memorandum of Law in Response to Respondents Edward Jones and Williams' Motion to Dismiss. On or about April 18, 2005, Respondents Edward Jones and Williams filed their Reply in Support of their Motion to Dismiss. On or about July 11, 2005, Claimant filed her Response to Respondents Edward Jones and Williams' Reply in Support of their Motion to Dismiss. On or about July 13, 2005, the Panel denied Respondents Edward Jones and Williams' Motion to Dismiss.

On or about November 11, 2005, Respondent RJFS filed with NASD Dispute Resolution its Motion to Strike Claimant's Expert Witness, Denise Morrison. On or about November 13, 2005, Respondents Edward Jones and Williams filed with NASD Dispute Resolution their Motion to Strike Claimant's Expert Witness, Denise Morrison. On or about November 16, 2005, Claimant filed her Response to Respondents RJFS, Edward Jones and Williams' Motions to Strike Claimant's Expert Witness, Denise Morrison. At the evidentiary hearing Respondents RJFS, Edward Jones and Williams withdrew their Motions to Strike Claimant's Expert Witness, Denise Morrison.

On or about November 29, 2005, Claimant and Respondent RJFS notified NASD Dispute Resolution that Claimant's claims against Respondent RJFS were settled.

At the evidentiary hearing, Claimant made an ore tenus motion upon a fee shifting agreement and requested that Respondents Edward Jones and Williams pay Claimant's attorneys' fees. At the evidentiary hearing, Respondents Edward Jones and Williams made an ore tenus motion to strike Claimant's fee shifting claim.

The parties 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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel finds that Claimant has carried her burden of proof on the issue of negligence against Edward Jones and its agent Stephen Williams, and awards Claimant the sum of \$65,000.00, inclusive of interest, attorneys' fees and expenses.
2. All other asserted claims of liability against Edward Jones and its agent Stephen Williams are denied thereby rendering Respondents' Motion to Strike Claimant's fee shifting claim moot.

3. Any and all other claims for relief not specifically addressed herein, including Claimant's request for punitive damages and Respondents' request for expungement, are denied.

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 = \$ 375.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondents Edward Jones, RJFS and American Skandia are parties and are member firms.

Respondent Edward Jones is assessed the following fees:

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Respondent RJFS is assessed the following fees:

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Respondent American Skandia is assessed the following fees:

Member surcharge	= \$2,250.00
<u>Pre-hearing process fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$3,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed 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:

There were no three-day cancellation fees assessed 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.

There were no injunctive relief fees assessed during these proceedings.

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:

Five (5) Pre-hearing sessions with the Panel @ \$1,200.00/session	= \$ 6,000.00
Pre-hearing conferences:	
March 31, 2005	1 session
June 23, 2005	1 session
July 11, 2005	1 session
October 19, 2005	1 session
November 22, 2005	1 session
Five (5) Hearing sessions with the Panel @ \$1,200.00/session	= \$ 6,000.00
Hearing Dates:	
November 29, 2005	2 sessions
November 30, 2005	3 sessions

Total Forum Fees	= \$12,000.00
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The Panel has assessed forum fees in the amount of \$12,000.00 solely to Respondent Edward Jones.

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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 375.00
Total Fees	= \$ 375.00
<u>Less payments</u>	= \$ 375.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent RJFS is solely liable for:

<u>Member Fees</u>	= \$ 7,000.00
Total Fees	= \$ 7,000.00
<u>Less payments</u>	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Edward Jones is solely liable for:

Forum Fees	= \$12,000.00
<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$19,000.00
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$12,000.00

Respondent American Skandia is solely liable for:

<u>Member Fees</u>	<u>= \$ 3,000.00</u>
Total Fees	= \$ 3,000.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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

ARBITRATION PANEL

<i>Fred M. Ridolphi, Jr., Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Frank A. Lightmas, Jr., Esq.</i>	-	<i>Public Arbitrator</i>
<i>Milton C. West</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

_____/s/_____
Fred M. Ridolphi, Jr., Esq.
Public Arbitrator, Presiding Chairperson

12/12/05
Signature Date

_____/s/_____
Frank A. Lightmas, Jr., Esq.
Public Arbitrator

12/12/05
Signature Date

_____/s/_____
Milton C. West
Non-Public Arbitrator

12/12/05
Signature Date

12/12/05
Date of Service (For NASD Dispute Resolution office use only)

Dec. 9, 2005 4:05PM

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NASD Dispute Resolution

Arbitration No. 04-08106

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Respondent Edward Jones is solely liable for:

Forum Fees	= \$12,000.00
Member Fees	= \$ 7,000.00
Total Fees	= \$19,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$12,000.00

Respondent American Skandia is solely liable for:

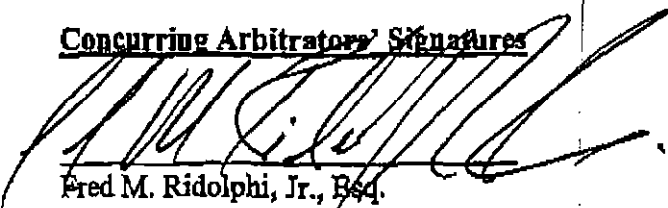
Member Fees	= \$ 3,000.00
Total Fees	= \$ 3,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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- *Public Arbitrator, Presiding Chairperson*
 - *Public Arbitrator*
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 Public Arbitrator, Presiding Chairperson


 Signature Date

 Frank A. Lightmas, Jr., Esq.
 Public Arbitrator

 Signature Date

 Milton C. West
 Non-Public Arbitrator

 Signature Date

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NASD Dispute Resolution

Arbitration No. 04-08106

Award Page 6

Respondent Edward Jones is solely liable for:

Forum Fees	= \$12,000.00
Member Fees	= \$ 7,000.00
Total Fees	= \$19,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$12,000.00

Respondent American Skandia is solely liable for:

Member Fees	= \$ 3,000.00
Total Fees	= \$ 3,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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 Public Arbitrator, Presiding Chairperson

Signature Date

Frank A. Lightmas, Jr.

12/12/05

Frank A. Lightmas, Jr., Esq.
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Signature Date

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Forum Fees	= \$12,000.00
Member Fees	= \$ 7,000.00
Total Fees	= \$19,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$12,000.00

Respondent American Skandia is solely liable for:

Member Fees	= \$ 3,000.00
Total Fees	= \$ 3,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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