

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Amy Keller

Case Number: 04-08404

Names of the Respondents
Edward Harris
Linsco/Private Ledger Corporation

Hearing Site: Pittsburgh, PA

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

REPRESENTATION OF PARTIES

Claimant, Amy Keller, hereinafter referred to as "Claimant", was represented by David Longood, Esq., Law Offices of David Longood, Salem, Oregon.

Respondents, Edward Harris ("Harris") and Linsco/Private Ledger Corporation ("LPL"), hereinafter collectively referred to as "Respondents", were represented by James A. McGovern, Esq., Marshall, Dennehey, Warner, Coleman & Goggin, P.C., Pittsburgh, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on December 8, 2004.

Claimant signed the Uniform Submission Agreement on December 4, 2004.

Claimant filed First Amended Statement of Claim on May 4, 2005.

Claimant filed Motion to Amend Statement of Claim or, in the Alternative to Conform the Pleadings on April 19, 2006.

Statement of Answer filed by Respondents on January 28, 2005.

Respondent Harris signed the Uniform Submission Agreement on January 20, 2005.

A representative of Respondent LPL executed the Uniform Submission Agreement on January 21, 2005.

Respondents filed Answer to First Amended Statement of Claim on June 9, 2005.

Respondents filed their Response to Motion to Amend Statement of Claim, or in the Alternative to Conform the Pleadings on April 24, 2006.

CASE SUMMARY

Claimant, in her Statement of Claim and First Amended Statement of Claim, asserted the following causes of action, among others: securities fraud, unsuitability, common law fraud, and failure to supervise. The causes of action relate to B Class share purchases in various mutual funds.

Unless specifically admitted in their Statement of Answer to the Statement of Claim and First Amended Statement of Claim, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim upon which relief may be granted; Claimant is barred by the doctrines of estoppel and/or laches; statutes of limitations; assumption of the risk; failure to exercise care and due diligence contributory and/or comparative negligence; unclean hands; and Claimant's claims are barred by the "Bespeaks Caution" doctrine.

RELIEF REQUESTED

Claimant in her Amended Statement of Claim requested compensatory damages in the amount of \$760,000.00, plus punitive damages of three times that amount, costs and expenses, and attorneys' fees.

In their Statement of Answer, Respondents requested that the Statement of Claim and Amended Statement of Claim be dismissed in their entirety, that they be awarded costs and expenses including attorneys' fees, and that the Arbitration Panel (the "Panel") recommend the expungement of all reference to this arbitration from the record of Respondent Harris maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing on the merits, Respondents moved the Panel to Dismiss Claimant's claims. The Panel denied the motion.

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, 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. All claims against Respondents are denied with prejudice in their entirety;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Harris's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Harris 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, the Panel has made the following affirmative findings of fact:

The claim, allegation or information is factually impossible or clearly erroneous, and the registered person was not involved in the alleged investment-related sales practice violations.

3. All claims for punitive damages and attorneys' fees are denied in their entirety;
4. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
5. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$ 600.00
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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 firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent LPL is a party.

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,000.00
Total Member Fees	= \$ 8,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 20-23, 2005 adjournment requested by all parties	= \$ 1,200.00
December 19-21, 2005 adjournment requested by all parties	= \$ 1,500.00

1. The Panel has assessed \$1,350.00 of the adjournment fees to Claimant.
2. The Panel has assessed \$1,350.00 of the adjournment fees jointly and severally to Respondents.

Forum Fees and Assessments

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

Two (2) Decisions on discovery-related motions on the papers
with one (1) arbitrator @ \$200.00 = \$ 400.00
Respondents submitted two (2) discovery-related motions

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$ 900.00
Pre-hearing conferences: June 13, 2005 1 session
March 14, 2006 1 session

One (1) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 1,200.00
Pre-hearing conference: April 26, 2005 1 session

Six (6) Hearing sessions @ \$1,200.00 = \$ 7,200.00
Hearing Dates: May 1, 2006 2 sessions
May 2, 2006 2 sessions
May 3, 2006 2 sessions

Total Forum Fees = \$ 9,700.00

1. The Panel has assessed \$7,275.00 of the forum fees to Claimant.
2. The Panel has assessed \$2,425.00 of the forum fees jointly and severally to Respondents.

EEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 1,350.00
<u>Forum Fees</u>	<u>= \$ 7,275.00</u>
Total Fees	= \$ 9,225.00
<u>Less payments</u>	<u>= \$ 3,300.00</u>
Balance Due NASD Dispute Resolution	= \$ 5,925.00

2. Respondent LPL is assessed and shall pay the following fees:

<u>Member Fees</u>	<u>= \$ 8,550.00</u>
Total Fees	= \$ 8,550.00
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,550.00

3. Respondents are jointly and severally assessed and shall pay the following fees:

Adjournment Fee	= \$ 1,350.00
<u>Forum Fees</u>	<u>= \$ 2,425.00</u>
Total Fees	= \$ 3,775.00
<u>Less payments</u>	<u>= \$ 750.00</u>
Balance Due NASD Dispute Resolution	= \$ 3,025.00

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

ARBITRATION PANEL

Joseph Decker, Esq.	-	Public Arbitrator, Presiding Chairperson
Edward J. Vaia	-	Public Arbitrator, Panelist
Ralph H. Phillips	-	Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures



Joseph Decker, Esq.

Public Arbitrator, Presiding Chairperson



Signature Date

Edward J. Vaia

Public Arbitrator, Panelist

Signature Date

Ralph H. Phillips

Non-Public Arbitrator, Panelist

Signature Date



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

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Concurring Arbitrators' Signatures

Joseph Decker, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Edward J. Vaia
Public Arbitrator, Panelist



Signature Date

Ralph H. Phillips
Non-Public Arbitrator, Panelist

Signature Date

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05/05/2006 14:13 FAX 202 728 8062

NASD DISPUTE RESOLUTION

008/008

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Concurring Arbitrators' Signatures

Joseph Decker, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Edward J. Vaia
Public Arbitrator, Panelist

Signature Date


Ralph H. Phillips
Non-Public Arbitrator, Panelist

05 May 2006
Signature Date

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