

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

E. Richard Meinert and Sharon Meinert, Claimants v. Raymond James Financial Services, Inc.  
and Peter Wesson Cline, Respondents

Case Number: 04-08649

Hearing Site: Seattle, Washington

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Nature of the Dispute: Customers v. Member and Associated Person

**REPRESENTATION OF PARTIES**

For Claimants:

John A. Bender, Esq.  
Ryan, Swanson & Cleveland,  
PLLC  
Seattle, Washington

For Respondents:

Francis L. Van Dusen, Jr.,  
Esq.  
Emily Crigger, Esq.  
Miller Nash, LLP  
Seattle, Washington

**CASE INFORMATION**

Statement of Claim filed: December 22, 2004

Claimants E. Richard Meinert and Sharon Meinert's Joint Uniform Submission Agreement  
signed: November 20, 2004

Joint Statement of Answer filed by Respondents Raymond James Financial Services, Inc. and  
Peter Wesson Cline: March 7, 2005

Respondent Raymond James Financial Services, Inc.'s Uniform Submission Agreement signed:  
January 5, 2005

Respondent Steven Wesson Cline's Uniform Submission Agreement signed: January 7, 2005

**CASE SUMMARY**

Claimants asserted the following causes of action: breach of fiduciary duty, negligence, negligent misrepresentations and omissions, and violation of the Washington State Consumer Protection Act. Claimants' allegations were based on Respondents' alleged failure to manage Claimants'

investment portfolio, develop a diversification strategy, and act in accordance with Claimants' investment objectives.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested \$150,000.00 in compensatory damages, pre-judgment interest at the rate of 8%, and costs, including attorney's fees.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, assessment of all forum fees to Claimants, and costs, including attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

By letter dated January 20, 2006, the parties notified the Panel that they had resolved this matter and requested that the Panel hold an in person or telephonic hearing regarding Respondent Peter W. Cline's request to have this matter expunged from his Central Registration Depository ("CRD") records. On January 24, 2006, the Panel granted the request for an in person hearing regarding this issue.

On February 8, 2006, Respondent Peter W. Cline filed a Motion in Support of Expungement Order Pursuant to NASD Rule 2130, Declaration of Peter W. Cline in Support of Motion for an Expungement Order, Declaration of Francis L. Van Dusen, Jr. in Support of Respondent Peter Cline's Motion for an Expungement Order, and a Stipulated Order to Dismiss the Arbitration Claim and Expunge Mr. Cline's NASD Records of Any Reference to That Claim, which had been signed by Claimants' and Respondents' counsel. On February 15, 2006, the Panel, Respondent Peter W. Cline, and his counsel participated in an in person hearing during which the Panel heard testimony and oral argument and reviewed evidence regarding Mr. Cline's request for expungement. Claimants' counsel waived his and his clients' right to be present at the hearing pursuant to a stipulation entered into by the parties that no forum fees resulting from this hearing would be assessed to Claimants. After due deliberation, the Panel decided to grant Mr. Cline's request to have all references to this matter expunged from his CRD records on the grounds that the claim that was filed against him was clearly erroneous.

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, the parties' written submissions regarding the issue of expungement, and the testimony and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Peter W. Cline's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Peter W. Cline 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 arbitration panel has made the following affirmative findings of fact:

*The claim, allegation, or information is clearly erroneous.*

- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) Any and all relief not specifically addressed herein 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
<u>Hearing Process Fee</u>	<u>= \$2,750.00</u>
<b>Total Member Fees</b>	<b>= \$5,200.00</b>

**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. The following forum fees are assessed:

One (1) pre-hearing conference session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference:      April 28, 2005      1 session	
One (1) hearing session @ \$1,125.00/session	= \$1,125.00
Hearing:      February 15, 2006      1 session	
<b>Total Forum Fees</b>	<b>= \$2,250.00</b>

1. The Panel assessed \$562.50 of the forum fees jointly and severally to Claimants E. Richard Meinert and Sharon Meinert.
2. The Panel assessed \$1,687.50 of the forum fees jointly and severally to Respondents Raymond James Financial Services, Inc. and Peter Wesson Cline.

**Fee Summary**

1. Claimants E. Richard Meinert and Sharon Meinert are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$(1,425.00)
<b>Refund Due Claimant</b>	<b>= \$ (562.50)</b>

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

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

3. Respondents Raymond James Financial Services, Inc. and Peter Wesson Cline are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 1,687.50
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,687.50</b>

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. 04-08649

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ARBITRATION PANEL

*Philip E. Cutler, Esq.*

*James B. Parsons, Esq.*

*Bonny K. Riggs*

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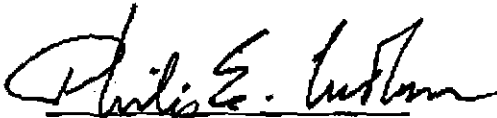
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*Public Arbitrator, Presiding Chair*

*Public Arbitrator*

*Non-Public Arbitrator*

Concurring Arbitrators' Signatures



Philip E. Cutler, Esq.  
Chair, Public Arbitrator

2/15/2006

Signature Date

James B. Parsons, Esq.  
Public Arbitrator

Signature Date

Bonny K. Riggs  
Non-Public Arbitrator

Signature Date

2/15/06  
Date of Service

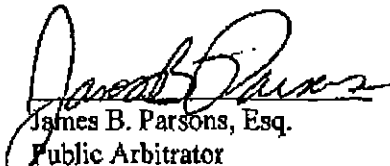
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<i>James B. Parsons, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Bonny K. Riggs</i>	-	<i>Non-Public Arbitrator</i>

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Chair, Public Arbitrator

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Signature Date

  
James B. Parsons, Esq.  
Public Arbitrator

2/15/06  
Signature Date

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Bonny K. Riggs  
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<b><i>Bonny K. Riggs</i></b>	-	<b><i>Non-Public Arbitrator</i></b>

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**Chair, Public Arbitrator**

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**Signature Date**

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**James B. Parsons, Esq.**  
**Public Arbitrator**

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**Signature Date**

  
**Bonny K. Riggs**  
**Non-Public Arbitrator**

02-15-2006  
**Signature Date**

2/15/06  
**Date of Service**