

**AWARD**  
**NASD Dispute Resolution**

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*In the Matter of the Arbitration Between*

**Names of Claimants**

Keith Peterson, individually, and as Trustee of the  
Keith Peterson Trust, Rose Peterson, individually,  
and Carol Whetshine as Trustee of the  
Rose Peterson Trust

and

Case Number: 05-02845  
Hearing Site: Omaha, Nebraska

**Names of Respondents**

Raymond James Financial Services, Inc.  
and William Henry Jordan, III

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**NATURE OF DISPUTE**

Customers v. Member Firm and Associated Person

**REPRESENTATION OF PARTIES**

Keith Peterson, individually, and as Trustee of the Keith Peterson Trust, Rose Peterson, individually and Carol Whetshine as Trustee of the Rose Peterson Trust ("**Claimants**") were represented by Gail E. Boliver, Esq., Boliver Law Firm, Marshalltown, Iowa.

Raymond James Financial Services, Inc. ("**Raymond James**") and William Henry Jordan, III ("**Jordan**"), hereinafter collectively referred to as "Respondents," were represented by Terrance A. Bostic, Esq., Raymond, James & Associates, Inc., St. Petersburg, Florida.

**CASE INFORMATION**

The Statement of Claim was filed on or about May 31, 2005. The Submission Agreement of Claimants, Keith Peterson, individually, and as Trustee of the Keith Peterson Trust, Rose Peterson, individually and Carol Whetshine as Trustee of the Rose Peterson Trust, was signed on or about May 19, 2005.

A Joint Statement of Answer was filed by Respondents, Raymond James Financial Services, Inc. and William Henry Jordan, III, on or about January 23, 2006. The Submission Agreement of Respondent, Raymond James Financial Services, Inc., was

signed on or about June 10, 2005. The Submission Agreement of Respondent, William Henry Jordan, III, was signed on or about August 4, 2005.

### **CASE SUMMARY**

Claimants asserted the following causes of action: breach of fiduciary duty; negligence; violations of Nebraska Securities Act; suitability; failure to supervise; misrepresentation; negligent supervision; and breach of contract. The causes of action related to the recommendation and purchase of stocks such as Intel, Microsoft, Oracle and Motorola. Claimants alleged that Respondents recommended unsuitable tech/telecom equity products, and there was also a lack of diversification among those equities selected. In addition, Claimants alleged that Respondents sold life insurance to them that was unsuitable.

Unless specifically admitted in their Answer, Respondents, Raymond James and Jordan, denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimants were fully advised of and understood the nature of their investments; Claimants failed to mitigate their damages through the continued maintenance and pursuit of their trading strategy in their Raymond James accounts; Claimants have not incurred any damages arising from any actions by Respondents; and Respondents faithfully followed Claimants' instructions and are not liable for any losses attributable to those instructions and decisions.

### **RELIEF REQUESTED**

Claimants requested an award in the amount of \$431,533.00 in compensatory damages, plus punitive damages, their costs and attorneys' fees, and other relief the Panel deemed just and proper.

Respondents requested that the claims asserted against them be denied in their entirety.

### **OTHER ISSUES CONSIDERED & DECIDED**

At the final hearing, the Respondents orally moved for a Motion to Dismiss the claim that was filed by Rose Peterson. The motion was overruled by the Panel.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

### **AWARD**

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondents, Raymond James Financial Services, Inc. and William Henry Jordan, III, are jointly and severally liable for and shall pay to Claimant, Keith Peterson, as Trustee of the Keith Peterson Trust, the sum of \$235,114.42 in compensatory damages;
- 2) Respondents, Raymond James Financial Services, Inc. and William Henry Jordan, III, are jointly and severally liable for and shall pay to Claimant, Carol Whetshine as Trustee of the Rose Peterson Trust, the sum of \$86,122.29 in compensatory damages;
- 3) Respondents, Raymond James Financial Services, Inc. and William Henry Jordan, III, are jointly and severally liable for and shall pay to Claimants, Keith Peterson, as Trustee of the Keith Peterson Trust, and Carol Whetshine as Trustee of the Rose Peterson Trust, the sum of \$10,000.00 for expert witness costs; and
- 4) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 300.00

#### **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 person at the time of the events giving rise to the dispute. In this matter, the member firm is Raymond James Financial Services, Inc.

Member surcharge = \$1,700.00  
Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

### Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

Six (6) Hearing sessions x \$1,125.00 = \$6,750.00

Hearing Dates:	April 4, 2006	2 sessions
	April 5, 2006	2 sessions
	April 6, 2006	2 sessions

Total Forum Fees = \$6,750.00

The Arbitration Panel has assessed \$6,750.00 of the forum fees jointly and severally to Raymond James Financial Services, Inc. and William Henry Jordan, III.

### Fee Summary

Claimants, Keith Peterson, individually, and as Trustee of the Keith Peterson Trust, Rose Peterson, individually and Carol Whetshine as Trustee of the Rose Peterson Trust, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$1,425.00
Refund due to Claimants	= \$1,125.00

Respondent, Raymond James Financial Services, Inc., is liable for:

Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, Raymond James Financial Services, Inc. and William Henry Jordan, III, are jointly and severally liable for:

Forum Fees	= \$6,750.00
Total Fees	= \$6,750.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$6,750.00

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

**ARBITRATION PANEL**

Thomas C. Lauristen, Esq. - Public Arbitrator, Presiding Chair  
Kevin R. McManaman, Esq. - Public Arbitrator  
Michael R. Wendel - Non-Public Arbitrator

**Concurring Arbitrators:**

/s/ Thomas C. Lauritsen, Esq.  
Thomas C. Lauristen, Esq.  
Public Arbitrator, Presiding Chair

04/12/06  
Signature Date

/s/ Kevin R. McManaman, Esq.  
Kevin R. McManaman, Esq.  
Public Arbitrator

04/12/06  
Signature Date

/s/ Michael R. Wendel  
Michael R. Wendel  
Non-Public Arbitrator

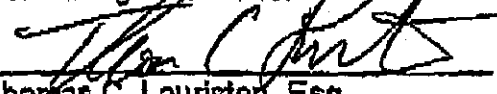
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Signature Date

04/12/06  
Date of Service (For NASD office use only)

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