

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of Claimant
James G. King, III

Case Number: 05-05467

Name of Respondent
Scott & Stringfellow, Inc.

Hearing Site: Raleigh, North Carolina

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant James G. King, III ("King") appeared pro se.

For Scott & Stringfellow, Inc. ("S & S"), hereinafter referred to as "Respondent": Paul D. Anders, Esq., LeClair Ryan, Richmond, Virginia.

CASE INFORMATION

Statement of Claim filed on or about: October 25, 2005.

Claimant signed the Uniform Submission Agreement on: October 19, 2005.

Answer to the Statement of Claim filed by Respondent on or about: January 4, 2006.

Respondent signed the Uniform Submission Agreement on: January 17, 2006.

Motion to Dismiss filed by Respondent on or about: January 4, 2006.

Claimant's Response to Respondent's Motion to Dismiss filed on or about: June 30, 2006.

Respondent's Reply to Claimant's Response to Respondent's Motion to Dismiss filed on or about: June 27, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: 1) fraud; and 2) negligence. The causes of action relate to Claimant's investment in, including but not limited to, class "B" shares of an unspecified mutual fund and Certificates of Deposit in Claimant's IRA account.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$89,000.00; and 2) costs and filing fees.

Respondent requested: 1) that the Panel dismiss the Statement of Claim; and 2) award

Respondent costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 17, 2006, the Panel entered an order deferring ruling on Respondent's Motion to Dismiss until the evidentiary hearing.

At the evidentiary hearing, on or about November 30, 2006, Respondent made an ore tenus Motion to Expunge the Central Registration Depository ("CRD") records of non-party Robert Bouquet.

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, evidence and the arguments presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. There are no damages to be awarded to Claimant. As to the claims based on fraud, the Panel finds that Claimant failed to prove fraud, so those claims are dismissed. As to the claims based on negligence, the Panel finds that both Claimant and Respondent bear some responsibility for the matters covered by the claims and that no damages should be awarded.
2. Respondent's Motion to Dismiss is denied.
3. As to Respondent's request, made at the end of its closing argument, that the CRD record of non-party Robert Bouquet be expunged with respect to this matter, the Panel concludes that the testimony presented at the hearing would not permit the Panel to make any of the findings necessary to grant that request, so that request is denied.
4. Each party shall bear its own costs and expenses.
5. Any and all claims for relief not specifically addressed herein, including Respondent's request for attorneys' fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure ("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 | = \$ 225.00 |
|--------------------------|-------------|

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. Accordingly, Respondent is a party and a member firm.

| | |
|-------------------------|--------------|
| Member surcharge | = \$1,100.00 |
| Pre-hearing process fee | = \$ 750.00 |
| Hearing process fee | = \$1,700.00 |
| Total Member Fees | = \$3,550.00 |

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

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 or each decision rendered on a discovery-related motion on the papers. 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:

| | |
|---|--------------|
| One (1) Pre-hearing session with a single arbitrator @ \$450.00/session | = \$ 450.00 |
| Pre-hearing conference: September 15, 2006 | 1 session |
| Two (2) Pre-hearing sessions with the Panel @ \$750.00/session | = \$1,500.00 |
| Pre-hearing conferences: May 30, 2006 | 1 session |
| July 17, 2006 | 1 session |

| | |
|---|--------------|
| Four (4) Hearing sessions with the Panel @ \$750.00/session | = \$3,000.00 |
| Hearing Dates: November 29, 2006 2 sessions | |
| November 30, 2006 2 sessions | |

Total Forum Fees

= \$4,950.00

The Panel has assessed the total forum fees of \$4,950.00 to Respondent.

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 are 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> | = \$ 225.00 |
| <u>Total Fees</u> | = \$ 225.00 |
| <u>Less payments</u> | = \$ 225.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

Respondent is solely liable for:

| | |
|-------------------------------------|--------------|
| Member Fees | = \$3,550.00 |
| <u>Forum Fees</u> | = \$4,950.00 |
| <u>Total Fees</u> | = \$8,500.00 |
| <u>Less payments</u> | = \$4,600.00 |
| Balance Due NASD Dispute Resolution | = \$3,900.00 |

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

ARBITRATION PANEL

| | | |
|-----------------------------|---|--|
| Zeb E. Barnhardt, Jr., Esq. | - | Public Arbitrator, Presiding Chairperson |
| Leonard E. Benade | - | Public Arbitrator |
| Thomas C. Looney | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

/s/
Zeb E. Barnhardt, Jr., Esq.
Public Arbitrator, Presiding Chairperson

December 3, 2006
Signature Date

/s/
Leonard E. Benade
Public Arbitrator

December 1, 2006
Signature Date

 /s/
Thomas C. Looney
Non-Public Arbitrator

December 4, 2006
Signature Date

December 4, 2006
Date of Service (For NASD Dispute Resolution office use only)

| | |
|---|--------------|
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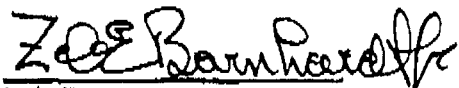
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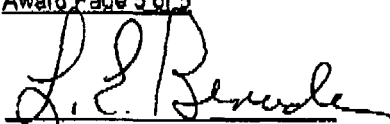
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Zeb E. Barnhardt, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Dec. 3, 2006
Signature Date



Leonard E. Benade
Public Arbitrator

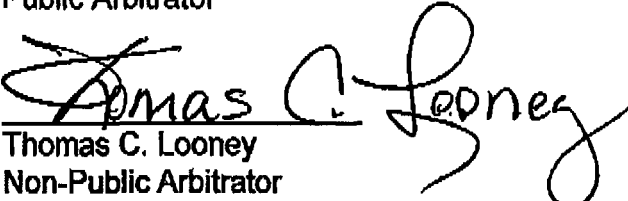
12/1/06
Signature Date

Thomas C. Looney
Non-Public Arbitrator

Signature Date

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

Leonard E. Benade
Public Arbitrator



Thomas C. Looney
Non-Public Arbitrator

Signature Date



Signature Date

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