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

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In the Matter of the Arbitration Between:

Name of the Claimant

Barbara Stroup, individually and on behalf  
of her IRA

Case Number: 05-05644

Names of the Respondents

Edward D. Jones & Co. L.P.  
Thomas Frank Belvin

Hearing Site: Orlando, Florida

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

**REPRESENTATION OF PARTIES**

For Barbara Stroup, individually and on behalf of her IRA, hereinafter referred to as "Claimant": Kirk G. Smith, Esq., Shepherd, Smith & Edwards, LLP, Houston, Texas.

For Edward D. Jones & Co. L.P. ("Edward Jones") and Thomas Frank Belvin ("Belvin") hereinafter collectively referred to as "Respondents": Wendy S. Menghini, Esq., Greensfelder, Hemker & Gale, PC, St. Louis, Missouri.

**CASE INFORMATION**

Statement of Claim filed on or about: November 7, 2005.

Claimant signed the Uniform Submission Agreement: October 14, 2005.

Statement of Answer and Motion to Dismiss filed by Respondents on or about: December 23, 2005.

Respondent Edward Jones signed the Uniform Submission Agreement: November 15, 2005.

Respondent Belvin did not file a signed Uniform Submission Agreement.

Response to Motion to Dismiss filed by Claimant on or about: January 10, 2006.

Reply Memorandum in Further Support of their Motion to Dismiss filed by Respondents on or about: March 8, 2006.

Motion to Strike and for Summary Dismissal of Claimant's Revenue Sharing Claims filed by Respondents on or about: September 22, 2006.

Response to Motion to Strike and for Summary Dismissal of Claimant's Revenue Sharing Claims filed by Claimant on or about: October 11, 2006.

**CASE SUMMARY**

Claimant asserted the following causes of action: 1) breach of contract and warranties, promissory estoppel; 2) violation of Florida State Securities Act; 3) intentional and negligent misrepresentations; 4) unjust enrichment; 5) breach of fiduciary duty; 6) supervision; and, 7) lost assets, lost opportunities, consequential losses and injury to her person and/or property, including mental anguish and

emotional distress.. The causes of action relate to the purchase of various mutual funds and variable annuities including, but not limited to, the Putnam Hartford Capital Manager variable annuity in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses. Respondents filed a Motion to Dismiss, wherein they alleged that Claimant's claims are barred by the applicable statute of limitations.

### **RELIEF REQUESTED**

Claimant requested compensatory damages in an amount between \$100,000.00 and \$500,000.00, all direct and/or consequential damages, statutory and/or punitive damages, pre-and post award interest, costs, legal fees, lost opportunity costs, rescission and any and all other relief available to Claimant, in law or equity or otherwise, granted to her by the Panel.

Respondents requested that the Statement of Claim be dismissed in its entirety.

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

Respondent Belvin did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On or about April 4, 2006, the Panel issued an Order that denied Respondents' Motion to Dismiss.

On December 1, 2006, the Panel issued an Order that denied Respondents' Motion to Strike and for Summary Dismissal of Claimant's Revenue Sharing Claims.

During the final hearing for this matter, Respondents moved for a directed verdict regarding Claimant's failure to supervise claims alleged in the Statement of Claim. The Panel denied the motion. Subsequently, on the last day of the final hearings, Claimant withdrew her claims for failure to supervise.

The parties have agreed that the Award in this matter may be entered in counterpart copies or that a signed handwritten 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:

Respondents are found not liable and all Claimant's claims are dismissed in their entirety, with prejudice.

Respondents shall pay to Claimant the sum of \$300.00 jointly and severally representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Claimant's requests for legal fees and statutory and/or punitive damages, 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	= \$ 300 .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 firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent Edward Jones is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were filed in this matter.

#### **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:

No cancellation fees were assessed in this matter.

#### **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.

No injunctive relief fees were incurred during this proceeding.

**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:

One (1) Pre-hearing session with a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: September 20, 2006 1 session	
Three (3) Pre-hearing sessions with the Panel @ \$1,125.00/session	= \$3,375.00
Pre-hearing conferences: March 6, 2006 1 session	
April 3, 2006 1 session	
November 30, 2006 1 session	
Eight (8) Hearing sessions with the Panel @ \$1,125.00/session	= \$9,000.00
Hearing Dates: December 6, 2006 2 sessions	
December 7, 2006 2 sessions	
December 8, 2006 2 sessions	
December 11, 2006 2 sessions	
Total Forum Fees	= \$12,825.00

The Panel has assessed the total forum fees of \$12,825.00 jointly and severally to Respondents.

**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.

No administrative costs were incurred during this proceeding.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Edward Jones is solely 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 are jointly and severally liable for:

Forum Fees	= \$ 12,825.00
Total Fees	= \$ 12,825.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 12,825.00

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

**ARBITRATION PANEL**

<i>James Barry Wright</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Arthur L. Sirkin</i>	-	<i>Public Arbitrator</i>
<i>Lawrence Zenville Rosenberg, CFP</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

/s/  
James Barry Wright  
Public Arbitrator, Presiding Chairperson

12/28/06  
Signature Date

/s/  
Arthur L. Sirkin  
Public Arbitrator

12/28/06  
Signature Date

/s/  
Lawrence Zenville Rosenberg, CFP  
Non-Public Arbitrator

12/28/06  
Signature Date

12/28/06  
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution  
Arbitration No. 05-05644  
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Respondents are jointly and severally liable for:

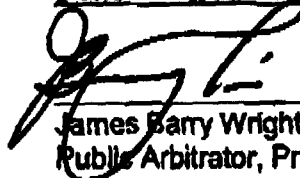
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Public Arbitrator

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Public Arbitrator, Presiding Chairperson

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