

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant

Robert H. Rewoldt

vs.

Case Number: 05-06570
Hearing Site: Minneapolis, Minnesota

Names of Respondents

Raymond James Financial Services, Inc.,
Raymond James & Associates, Inc.,
Raymond James Ltd., Inc., and
Frank E. Hook

NATURE OF THE DISPUTE

Customer vs. Members and Associated Person

REPRESENTATION OF PARTIES

Robert H. Rewoldt ("Claimant") was represented by Bryan J. Baulder, Esq., Baulder Baulder Maus & Blahnik, LLP, Austin, Minnesota.

Raymond James Financial Services, Inc. ("Raymond James Financial"), Raymond James & Associates, Inc. ("Raymond James & Associates"), Raymond James Ltd., Inc. ("Raymond James, Ltd"), and Frank E. Hook ("Hook"), hereinafter collectively referred to as "Respondents," were represented by Kelli Bullington, Esq., Raymond James Financial Services, Inc. , St. Petersburg, Florida.

CASE INFORMATION

The Statement of Claim was filed on or about December 23, 2006. The Submission Agreement of Claimant, Robert H. Rewoldt, was signed on or about December 9, 2005.

The Statement of Answer was filed jointly by Respondents, Raymond James Financial Services, Inc., Raymond James & Associates, Inc., Raymond James Ltd., Inc., and Frank E. Hook, on or about March 22, 2006. The Submission Agreement of Respondent, Raymond James & Associates, Inc., was signed on or about January 19, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; breach of fiduciary duty; and misrepresentations. Claimant alleged that he opened an account with the Respondents with the intent to invest in Canadian assets. Claimant asserted that he wanted Respondents to invest in Canadian equities, using Canadian dollars to purchase, and the balance of the account was to be held in Canadian dollars because he did not want to recognize any capital gains on the Canadian currency unless he elected at some future date to reconvert the Canadian dollars to U.S. dollars. Claimant alleged that Hook recommended that he purchase Canadian T-Bills due to their higher rate of return than other interest bearing investments. Claimant stated that after the investments were purchased he received a 1099 from Respondents reflecting a short term capital gain on his Canadian T-Bill investment because as each T-Bill matured, it had been reinvested in new Canadian T-Bills and under U.S. Tax Regulations it required Claimant to recognize short term capital gains on his U.S. Tax Returns. Claimant further alleged that these investments and subsequent tax consequences were in contrast to his previous instructions when opening the accounts.

Unless specifically admitted in their Answer, Respondents, Raymond James Financial Services, Inc., Raymond James & Associates, Inc., Raymond James Ltd., Inc., and Frank E. Hook, denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant was fully advised, understood the nature of the investments, and authorized all purchases in his accounts, and therefore Claimant is not entitled to any relief in this action; Claimant had full, complete, accurate, and contemporaneous knowledge of all transactions complained of in the Statement of Claim, and is accordingly precluded from any recovery in this action; Claimant had full control over his investment decisions in his accounts. Any losses or tax consequences realized were the result of the transactions Claimant knowingly initiated; Claimant had full knowledge of, and initiated all material facts concerning his accounts maintained by Respondents, including the positions held and transactions therein; Claimant's losses were caused primarily by his investment decisions, not by any act or omission by Respondents; and tax consequences sustained by Claimant were the result, in whole or in part, of Claimant's own negligence; Claimant's claims are barred by the doctrines of ratification, estoppel, waiver, and unclean hands; and Claimant's claims are time-barred by all applicable statutes of limitation and the doctrine of laches.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 27,998.00
Interest	Unspecified
Attorneys' Fees	Unspecified

Costs
Other Monetary Relief

Unspecified
Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondents requested the Panel order an expungement of all references of this matter on Frank E. Hook's registration records maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

On the October 2, 2006, pre-hearing conference call, the parties agreed that Respondents, Raymond James Financial Services, Inc. and Raymond James, Ltd, Inc., should be dismissed from this claim. The Panel issued an Order on October 10, 2006, granting the dismissal of Respondents, Respondents, Raymond James Financial Services, Inc., with prejudice.

Respondent, Frank E. Hook, did not file with the 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.

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

- 1.) Claimant's claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) Any relief not specifically enumerated, including expungement and attorneys' fees, is hereby denied with prejudice; and
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter.

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 = \$ 150.00

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 at the time of the events giving rise to the dispute. In this matter, the member firm is Raymond James Financial Services, Inc., Raymond James & Associates, Inc., and Raymond James Ltd., Inc.

Member surcharge = \$ 600.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 1,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing 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 last four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$ 450.00 = \$ 450.00
Pre-hearing conference: November 8, 2006 1 session

Two (2) Pre-hearing sessions with Panel x \$600.00 = \$ 1,200.00
Pre-hearing conferences: May 23, 2006 1 session
October 2, 2006 1 session

Three (3) Hearing sessions x \$ 600.00 = \$ 1,800.00
Hearing Dates: November 14, 2006 2 sessions
November 15, 2006 1 session

Total Forum Fees = \$ 3,450.00

The Panel has assessed \$ 1,725.00 of the forum fees to Robert H. Rewoldt.

The Panel has assessed \$ 1,725.00 of the forum fees jointly and severally to Raymond James & Associates, Inc. and Frank E. Hook.

FEE SUMMARY

Claimant, Robert H. Rewoldt, is liable for:

Initial Filing Fee	= \$ 150.00
Forum Fees	= \$ 1,725.00
Total Fees	= \$ 1,875.00
Less payments	= \$ 750.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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

Member Fees	= \$ 2,350.00
Total Fees	= \$ 2,350.00
Less payments	= \$ 2,350.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Raymond James & Associates, Inc., is liable for:

Member Fees	= \$ 2,350.00
Total Fees	= \$ 2,350.00
Less payments	= \$ 2,350.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Raymond James Ltd., Inc., is liable for:

Member Fees	= \$ 2,350.00
Total Fees	= \$ 2,350.00
Less payments	= \$ 2,350.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, Raymond James & Associates, Inc., and Frank E. Hook, are jointly and severally liable for:

Forum Fees	= \$ 1,725.00
Total Fees	= \$ 1,725.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,725.00

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

ARBITRATION PANEL

Harry J. Haynsworth, IV - Public Arbitrator, Presiding Chair
Robert Lee Nelson - Public Arbitrator
Robert M. Elconin, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Harry J. Haynsworth, IV
Public Arbitrator, Presiding Chair

Signature Date

Robert Lee Nelson
Public Arbitrator

Signature Date

Robert M. Elconin, Esq.
Non-Public Arbitrator

Signature Date

11/16/06
Date of Service (For NASD office use only)

ARBITRATION PANEL

Harry J. Haynsworth, IV - Public Arbitrator, Presiding Chair
Robert Lee Nelson - Public Arbitrator
Robert M. Elconin, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Harry J. Haynsworth IV
Harry J. Haynsworth, IV
Public Arbitrator, Presiding Chair

11/16/06
Signature Date

Robert Lee Nelson
Robert Lee Nelson
Public Arbitrator

Signature Date

Robert M. Elconin, Esq.
Robert M. Elconin, Esq.
Non-Public Arbitrator

Signature Date

11/16/06
Date of Service (For NASD office use only)

ARBITRATION PANEL

Harry J. Haynsworth, IV - Public Arbitrator, Presiding Chair
Robert Lee Nelson - Public Arbitrator
Robert M. Elconin, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Harry J. Haynsworth, IV
Public Arbitrator, Presiding Chair



Robert Lee Nelson
Public Arbitrator

Signature Date

11/15/06

Signature Date

Robert M. Elconin, Esq.
Non-Public Arbitrator

Signature Date

11/16/06

Date of Service (For NASD office use only)

ARBITRATION PANEL

Harry J. Haynsworth, IV - Public Arbitrator, Presiding Chair
Robert Lee Nelson - Public Arbitrator
Robert M. Elconin, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Harry J. Haynsworth, IV
Public Arbitrator, Presiding Chair

Signature Date

Robert Lee Nelson
Public Arbitrator

Signature Date



Robert M. Elconin, Esq.
Non-Public Arbitrator

11/16/06

Signature Date

11/16/06

Date of Service (For NASD office use only)