

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

Marjorie Letz

89-01030

Name of Respondent(s)

Raymond, James & Associates, Inc.  
Robert R. Rice

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Hear before the members of the Arbitration Panel:

John P. Cullen, Esq.  
Mr. James F. Turner III  
A. William Cohen, Esq.

CASE SUMMARY

This claim was filed with the NASD, Inc. on April 5, 1989. The hearing was conducted in Tampa, Florida on June 12, 1990 and October 15, 1990, with a total of four (4) sessions.

Claimant, Marjorie Letz ("Letz"), alleged that Respondents, Raymond James and Associates, Inc. ("Raymond James"), and Robert Rice ("Rice"), were liable for violations of Florida's Security and Investor Protection Act; misrepresentation; breach of contract; breach of fiduciary duty and negligence. Specifically, Claimant alleged that Rice induced her into purchasing a certain oil and gas limited partnership without advising Claimant of the risks involved and which was highly speculative in contravention of Claimant's stated investment objectives.

Respondents alleged that: Claimant received a prospectus prior to purchasing the limited partnership; ignored Rice's recommendation to sell; and, failed to accept a buy back offer. Respondents asserted the affirmative defenses of: statute of limitations; failure to exercise due diligence; estoppel and laches; compliance with fiduciary duties; and lack of proximate cause.

#### RELIEF REQUESTED

Claimant requested recession of the transaction or damages in the amount of \$30,000.00 dollars, costs and attorney's fees.

Respondents requested dismissal of the claim and attorney's fees.

#### AWARD

On June 12 and October 15, 1990, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on March 30, 1989, and by Respondents, Raymond James, on November 27, 1989, and Rice, on December 1, 1989. The arbitration panel having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. The parties have agreed that the Award in this matter may be executed in counterpart copies of that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.
2. Respondents, Raymond James and Rice, are found not liable and, therefore, all claims against them are hereby dismissed.
3. Claimant's request for attorney's fees and costs are denied.
4. Respondents' request for attorney's fees is denied.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of One Thousand Six Hundred and 00/100 (\$1,600.00) Dollars four (4) sessions x Four Hundred and 00/100 (\$400.00) Dollars. Claimant is hereby assessed Eight Hundred and 00/100 (\$800.00) Dollars for which the NASD shall retain the Four Hundred and 00/100 (\$400.00) Dollar filing fee previously deposited in partial satisfaction thereof. Respondent, Raymond James is hereby assessed Four Hundred and 00/100 (\$400.00) Dollars and Respondent, Rice, is hereby assessed Four Hundred and 00/100 (\$400.00) Dollars payable to the National Association of Securities Dealers, Inc.
6. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorney's fees.

#### OTHER ISSUES

None.

ARBITRATORS CONCURRING

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John P. Cullen, Esq.

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Mr. James F. Turner III

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A. William Cohen, Esq.

Dated: November 12, 1990