

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Raymond, James & Associates, Inc.

92-04345

Name of Respondent

Owen G. Parr

REPRESENTATION

For Claimant, Raymond James & Associates, Inc. ("Raymond James"): John N. Critchlow, Esq., of Raymond James & Associates, Inc.

For Respondent/Counterclaimant, Owen G. Parr ("Parr"): pro se.

CASE INFORMATION

Statement of Claim filed: 12/28/92.

Claimant's Submission Agreement signed on: 12/28/92.

Statement of Answer and Counterclaim filed by Respondent/Counterclaimant, Parr on: 3/11/93.

Respondent/Counterclaimant's Submission Agreement signed: 3/9/93.

HEARING INFORMATION

Hearing Dates/Sessions: 10/10/94-two (2) sessions.
02/08/95-two (2) sessions.
02/09/95-two (2) sessions.

Hearing Location: Fort Lauderdale, Florida.

CASE SUMMARY

Claimant, Raymond James, alleged that Respondent, Parr, while employed at Raymond James executed a Promissory Note for \$40,000.00 and that it is owed the repayment of the principal under the note, interest and attorneys's fees.

Respondent/Counterclaimant, Parr, stated that Claimant's Claim should be dismissed and further alleged that the basis for Claimant's Claim, a promissory note and bonus agreement, were obtained after Par was hired by Raymond James and contained requirements of fulfillment which

were different than those stipulated prior to hire. Parr contended that the agreements were obtained through deceit and fraud and as such are not valid. Further, Parr brought a Counterclaim against Claimant seeking the payment of \$250,000 by Claimant. Parr maintained that the Counterclaim is based on Claimant's wrongful termination of Parr without giving Parr the opportunity to fulfill his part of the agreement. Parr stated that while Raymond James had the power to ask him to resign, it did not have the right to do so. Parr further alleged that Raymond James was negligent in its supervisory role; that it failed to properly assist him in this respect; that Parr suffered a financial loss while employed at Raymond James and a professional setback in the industry due to the wrongful termination which would not have taken place if Raymond James had recruited Parr away from his prior employer with honesty, truth, and no misstatements. Parr further alleged that Raymond James engaged in an attempt to undermine his authority as supervisor, willing to sacrifice rules and regulations in exchange for gross production and because of that he was asked to step down as a manager and not given the opportunity to remain as a broker.

In response to the Counterclaim, Claimant denied that any misstatement was made to Parr concerning the production of the branch he was offered the position of managing and stated that any misstatement would be apparent from Parr's inspection of the branch, that any misstatement would have been discovered by Parr in the exercise of due diligence and that any misstatement as to production was not reasonably relied on by Parr, inasmuch as any compensation he had received would be based on future production. Claimant further denied that Parr was asked to step down as manager for any reason other than Parr's failure to recruit and his alienation of the brokers in his branch. Additionally, Claimant stated that it was not obligated to have any reason (good or bad) for asking Parr to resign his position as manager.

RELIEF REQUESTED

Claimant requested an award in the amount of \$38,528.78 plus interest at the rate of eleven percent (11%), costs and attorneys' fees for having to enforce the provisions of the Promissory Note and for such other and further reliefs to which Raymond James is entitled. Claimant further requested dismissal of the Counterclaim.

Respondent/Counterclaimant, Parr, requested that Claimant's claim be dismissed in total and that he be awarded relief on his Counterclaim in the amount of \$250,000.00 as remuneration for the wrongs that Claimant committed against him.

OTHER ISSUES CONSIDERED & DECIDED

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 originals remain on file with the NASD.

AWARD

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

1. Respondent/Counterclaimant, Parr, is found liable and shall pay to the Claimant the amount of \$7,500.00 inclusive of interest.
2. Respondent's Counterclaim is hereby dismissed.
3. Claimant's requests for costs and attorneys' fees are hereby denied.
4. All other claims are hereby denied.

OTHER COSTS

Apart from the Forum Fees addressed below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorneys' fees.

FORUM FEES

Pursuant to Section 44c of the Code of Arbitration Procedure, the Panel has assessed Forum Fees in the amount of \$3,600.00 (six (6) hearing sessions X \$600.00).

1. Claimant, Raymond James, is hereby assessed forum fees in the amount of \$3,600.00 for which the NASD shall retain the \$600.00 previously deposited in partial satisfaction thereof leaving a balance due to the NASD in the amount of \$3,000.00.
2. The NASD shall retain the non-refundable filing fee of \$500.00 paid by Claimant.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

John Darling

Industry/Chairman

/s/

Jerome Ingate

Industry/Panelist

/s/

Phillip E. Norman

Industry/Panelist

Date of Decision: March 29, 1995