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NASD REGULATION, INC. AWARD

Office of Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Colin Joyston-Bechal

96-04386

Name of Respondents

Raymond James & Associates, Inc.
Larry C. Hill

REPRESENTATION OF PARTIES

For Claimant: Frank R. Brady, Esq. and Jeanne Brady of the law firm of Brady & Brady, P.A., Boca Raton, Florida.

For Respondents Raymond James & Associates, Inc. ("RJA") and Larry C. Hill ("Hill") by John N. Critchlow, Esq. of Raymond James & Associates, Inc., St. Petersburg, Florida.

CASE INFORMATION

Statement of Claim was filed on September 30, 1996. Submission Agreement of Claimant was signed on October 24, 1996.

Statement of Answer was jointly filed by Respondents on April 18, 1997. Submission Agreements of Respondents were signed on April 14, 1997 by Paul Matecki on behalf of RJA and on April 16, 1997 by Hill.

HEARING INFORMATION

A telephonic pre-hearing conference was held on July 2, 1997 with the Panel presiding.

The evidentiary hearing was held on October 7 and 8, 1997, in Fort Lauderdale, Florida for a total of four (4) sessions.

CASE SUMMARY

Claimant alleged that Respondents RJA and Hill failed to carry out Claimant's investment instructions to purchase \$6,000.00 worth of PNTX stock and \$6,000.00 worth of PEAK stock while carrying out his instructions to sell from Claimant's securities account 2,500 shares of Salomon Brothers SBG World Wide Fund for the purpose of providing funds for the purchase of the PNTX and PEAK stock. Claimant contended that Respondents' actions constituted a breach of contract with Claimant, a breach of their common law fiduciary duty to Claimant, and violations of Section 517.301, Florida Statutes, 18 U.S.C. Section 1962(a), and Rule 10(b)-10(a)(2) of the Rules and Regulations of the 1934 Securities Exchange Act.

Respondents denied the allegations set forth in the Statement of Claim. Respondents asserted that the conversation between Claimant and Respondent Hill did not include an instruction by Claimant to purchase any stock; instead, at the conclusion of the conversation, both Claimant and Hill understood that Hill was to monitor the two stocks and advise Claimant if they dropped to a price at which the two had agreed the stocks were attractive; and, that as the prices of the stocks never crossed either of these thresholds, no request for an order was ever made by Claimant and no order to purchase the stock was ever entered. Respondents asserted the affirmative defenses that lost profits are not compensable under any of the statutes cited in the Claim; no claim exists under the federal RICO statutes for wrongdoing involving the purchase or sale of securities; failure to state a RICO claim; failure to state a claim for violation of state or federal securities laws; laches or statute of limitations; estoppel; ratification; waiver; failure to use due care; contributory or comparative negligence; lack of scienter and good faith; compliance with industry standards and all regulatory requirements; and, failure to mitigate damages.

Claimant denied the affirmative defenses made by the Respondents.

RELIEF REQUESTED

Claimant requested an award in the amount of \$42,560.00 including RICO damages, treble damages, consequential and actual damages; and, costs, including expert witness fees, attorneys' fees, forum fees, and other charges imposed by NASD Regulation, Inc.

Respondents requested a dismissal, costs, and that all references to this arbitration proceeding be expunged from the Central Registration Depository ("CRD") records of Respondent Hill.

OTHER ISSUES CONSIDERED & DECIDED

1. At the conclusion of the presentation of Claimant's case, Claimant moved to conform the pleadings with the evidence. Respondents did not object and the Panel deferred its decision. That motion is granted.
2. 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 Regulation, Inc. Office of Dispute Resolution.

AWARD

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

1. Respondents RJA and Hill are found liable, jointly and severally, and shall pay to the Claimant the sum of \$3,200.00. The Panel finds no liability pursuant to Chapter 517.301, Florida Statutes nor 18 U.S.C. Section 1962(a).
2. Respondents, jointly and severally, shall reimburse the Claimant for the \$800.00 previously deposited by the Claimant.
3. Although Claimant requested attorneys' fees in his Statement of Claim, he advised this Panel that he did so solely for the purpose of preserving the issue for the courts. Therefore, this Panel made no determination with respect to either entitlement to or amount of attorneys' fees.
4. Claimant's requests for RICO damages, treble damages, consequential damages, costs, including expert witness fees, and other charges imposed by NASD Regulation, Inc are denied.
5. Respondents' requests for costs and for expungement of all references to this arbitration proceeding from the CRD records of Respondent Hill are denied.

FORUM FEES

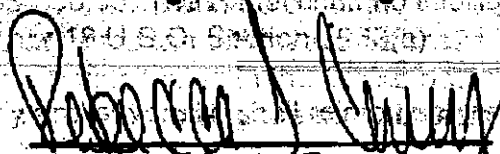
Pursuant to Rule 10332(b) of the NASD Code of Arbitration Procedure ("Code"), a hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less. Pursuant to Rule 10332(c) of the Code, the panel has assessed forum fees in the amount of \$2,000.00 (one pre-hearing conference with the Panel: \$400.00 per session plus four hearing sessions x \$400.00 per session).

1. Respondents are assessed the sum of \$2,000.00 for which NASD Regulation, Inc. shall retain the \$800.00 previously deposited by Claimant in partial satisfaction thereof, leaving a balance due in the sum of \$1,200.00.

2. NASD Regulation, Inc. shall retain the \$800.00 previously deposited by the Claimant plus the non-refundable filing fee of \$120.00 paid by the Claimant.

Fees are payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures


Rebecca J. Covey, Esq.
Public Arbitrator, Presiding Chair


Marc Scott Shapiro
Public Arbitrator


John A. Palermo
Industry Arbitrator

Date of Decision: 10/8/97