

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Estate of Astrid Mattsson

Case No. 99-01286

Names of Respondents

The Robinson-Humphrey Company, Inc.
William S. Royall, Jr.

REPRESENTATION OF PARTIES

For the Estate of Astrid Mattsson, hereinafter referred to as "Claimant": Robert V. DeMarco, Esq. of the law offices of Robert V. DeMarco, P.A., Charleston, South Carolina, and J. Kirkland Grant, Esq. of Huntington, New York.

For The Robinson-Humphrey Company, Inc. ("Robinson-Humphrey") and William S. Royall, Jr. ("Royall"), hereinafter collectively referred to as "Respondents": Joanne M. Chormanski, Esq., First Vice President and Counsel, Respondent Robinson-Humphrey, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 17, 1999.

Claimant, by its Personal Representative, Michael D. Mercurio, signed the Uniform Submission Agreement on: March 8, 1999.

Statement of Answer filed by Respondents on or about: May 19, 1999.

Respondent Robinson-Humphrey signed the Uniform Submission Agreement on: May 18, 1999.

Respondent Royall signed the Uniform Submission Agreement on: May 13, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: 1) unsuitability; 2) breach of fiduciary duty; 3) failure to supervise; and 4) violations of the rules of the NASD and stock exchanges. Claimant sought damages for Respondents improper management of Astrid Mattsson's account, including the liquidation of investments in Colonial Government Securities Fund and the purchase of a non-refundable annuity from First Colonial Life Insurance Company.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: 1) Claimant failed to state a cause of

action upon which relief may be granted; 2) Respondents did not owe a fiduciary duty to Astrid Mattsson; 3) there is no private cause of action for violations of the NASD rules and NYSE rules; 4) Claimant is barred from recovery because Astrid Mattsson authorized, approved and ratified the transactions at issue; 5) Claimant is barred from recovery by the doctrines of estoppel and laches; 6) Claimant is barred from recovery because Astrid Mattsson failed to mitigate her damages; and 7) Claimant's damages are not recoverable because they are speculative and not based in law or fact.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$53,857.00 for the purchase of the annuity; 2) compensatory damages in the amount of \$13,000.00 for the loss incurred in liquidating her investments in the Colonial Government Securities Fund; 3) compensatory damages for margin interest; 4) compensatory damages for account management fees; 4) compensatory damages for commissions paid by First Colonial Life Insurance Company to Respondents; 6) interest; 7) punitive damages; 8) attorneys' fees; 9) costs; and 10) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND 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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims are dismissed with prejudice.
2. Claimant's request for punitive damages is denied.
3. All other requests for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$150.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Adjournment Fees

Adjournments requested during these proceedings:

February 24 and 25, 2000, adjournment by Claimant	= \$500.00
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Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$300.00	= \$ 300.00
Pre-hearing conference: August 24, 2000 1 session	

One (1) Pre-hearing session with Panel x \$500.00	= \$ 500.00
Pre-hearing conference: September 7, 1999 1 session	

Four (4) Hearing sessions x \$500.00	= \$2,000.00
Hearing Dates: October 5, 2000 2 sessions	
October 6, 2000 2 sessions	

Total Forum Fees	= \$2,800.00
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The Panel has assessed \$1,400.00 of the forum fees to Claimant.

The Panel has assessed \$1,400.00 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 150.00
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Adjournment Fee	= \$ 500.00	
Forum Fees	= \$1,400.00	
Total Fees	= \$2,050.00	
<u>Less payments</u>	<u>= \$1,150.00</u>	
Balance Due NASD Dispute Resolution, Inc.		= \$900.00

Respondent Robinson-Humphrey be and hereby is solely liable for:

Member Fees	= \$3,100.00	
Total Fees	= \$3,100.00	
<u>Less payments</u>	<u>= \$3,100.00</u>	
Balance Due NASD Dispute Resolution, Inc.		= \$0.00

Respondents Robinson-Humphrey and Royall be and hereby are jointly and severally liable for:

Forum Fees	= \$1,400.00	
Total Fees	= \$1,400.00	
<u>Less payments</u>	<u>= \$ 0.00</u>	
Balance Due NASD Dispute Resolution, Inc.		= \$1,400.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

_____/s/_____
Mark A. Buckstein, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/s/_____
Harry H. Evans, III
Industry Arbitrator

Signature Date

_____/s/_____
Joseph A. Bambury, Jr., Esq.
Public Arbitrator

Signature Date

October 24, 2000
Date of Service (For NASD-DR office use only)

Adjournment Fee	= \$ 500.00	
Forum Fees	= \$1,400.00	
Total Fees	= \$2,050.00	
<u>Less payments</u>	<u>= \$1,150.00</u>	
Balance Due NASD Dispute Resolution, Inc.		= \$900.00

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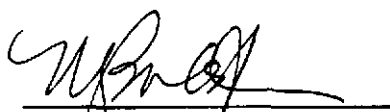
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Concurring Arbitrators' Signatures



Mark A. Buckstein, Esq.
Public Arbitrator, Presiding Chair

10-16-00

Signature Date

Harry H. Evans, III
Industry Arbitrator

Signature Date

Joseph A. Bambury, Jr., Esq.
Public Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

Adjournment Fee	= \$ 500.00	
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All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Mark A. Buckstein, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Harry H. Evans, III
Harry H. Evans, III
Industry Arbitrator

10/13/00
Signature Date

Joseph A. Bambury, Jr., Esq.
Public Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

Adjournment Fee	= \$ 500.00	
Forum Fees	= \$1,400.00	
Total Fees	= \$2,050.00	
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Public Arbitrator, Presiding Chair

Signature Date

Harry H. Evans, III
Industry Arbitrator

Signature Date

Joseph A. Bambury Jr.

Joseph A. Bambury, Jr., Esq.
Public Arbitrator

10/19/00

Signature Date

Date of Service (For NASD-DR office use only)