



Financial Industry Regulatory Authority

VIA MAIL AND FACSIMILE

June 3, 2009

Jeffrey Erez, Esq.
Sonn & Erez, PLC
500 East Broward Blvd.
Suite 1600
Fort Lauderdale, FL 33394

Subject: FINRA Dispute Resolution Arbitration Number 08-01333
Philip Richardson, as Trustee of the Philip Richardson Revocable Trust, et al. vs.
Morgan Keegan & Company, Inc.

Dear Mr. Erez:

In accordance with the Code of Arbitration Procedure I enclose the decision reached by the arbitrator(s) in the above-referenced matter.

Responsibility to Pay Monetary Award

Pursuant to the Code of Arbitration Procedure¹ the responsible party must pay any monetary awards within 30 days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction. If an award is not paid within 30 days, the responsible party must pay post-judgment interest at the legal rate or as provided in the award by the arbitrator(s).

Tracking Payment of Award

FINRA Dispute Resolution has implemented a system of monitoring and tracking compliance with arbitration awards by members and associated persons. We request prevailing claimants to notify us in writing when their awards have not been paid within 30 days of receipt of the award, and require member firms to certify in writing that they have complied with awards against them or their associated persons.

Written notification concerning award compliance or lack thereof must be directed to:

Avichai Badash
FINRA Dispute Resolution
One Liberty Plaza

¹Customer Code Rule 12904
Industry Code Rule 13904
Old Code Rule 10330(h)

165 Broadway, 52nd Floor
New York, NY 10006
212-858-4325 (tel) 301-527-4739 (fax)

Expedited Suspension Proceedings for Non-Payment of Awards

Members and associated persons who do not comply with an award in a timely manner are subject to expedited suspension proceedings as set forth in Rule 9554.

Right to File Motion to Vacate Award

All awards are **final** and are not subject to review or appeal by the arbitration panel or by FINRA Dispute Resolution. Any party wishing to challenge the award must make a motion to vacate the award **in a federal or state court** of appropriate jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. § 10, or applicable state statute. There are limited grounds for vacating an arbitration award, and a party must bring a motion to vacate within the time period specified by the applicable statute. Parties and counsel should consult federal and state statutes and case law to determine the appropriate court, standards, and time limitations in their individual circumstances. FINRA Dispute Resolution is not authorized to provide legal advice concerning a motion to vacate.

A motion to vacate, confirm, or modify an arbitration award is a matter only between the parties to the arbitration. FINRA Dispute Resolution is not a proper party to post-award motions and should not be named as a party to any post-award motion. However, for cases filed on or after April 12, 2004, if the award contains expungement relief, or if a party seeks expungement relief in court, there may be a duty to name FINRA as a party as provided in Rule 2130.

Questions Concerning Award

Please direct any questions regarding this award to me. **The parties must not contact the arbitrators directly.**

Forum Fees

You will receive under separate cover an invoice that reflects the fees assessed and any outstanding balance or refund due. **Fees are due and payable to FINRA Dispute Resolution upon receipt of the invoice and remitted to the address specified on the invoice.**

Any applicable refunds will also be sent under separate cover approximately 45 days after the case closes. Pursuant to the Code of Arbitration Procedure, "Any refunds of fees or costs incurred under the Code will be paid directly to the named parties, even if a non-party made payment on behalf of the named parties."²

All questions regarding payment of fees and refunds should be directed to FINRA Finance at (240) 386-5910.

Arbitration Evaluation

² Customer Code Rule 12902(e)
Industry Code Rule 13902(e)

As a service organization, the primary goals of FINRA Dispute Resolution are the integrity of its process and the satisfaction of its clients. To ensure that we are meeting your needs and satisfying our commitment to you, **we need to hear from you**. If you have not already done so, please take the time to complete an evaluation of our services, the process, and the arbitrator(s) assigned to your case. For your convenience, we have now made it possible for you to evaluate our services using the Internet. Please direct your Web browser to <http://www.finra.org/arbevaluation>.

If you do not have Internet access, or have difficulty completing the evaluation form online, we will send a hard copy evaluation form to you. The completed evaluation form should be mailed in to the address indicated below. If you need a hard copy of the evaluation form, please contact the undersigned. Whenever possible, however, we encourage you to use the new online version, as it will help us to review your feedback in a more expeditious manner. Your feedback is a valuable and necessary component in our efforts to serve you better.

Very truly yours,



JoAnne Sorrentino, CP
Senior Case Administrator
Phone: 561-416-0277
Fax: 301-527-4868
SEProcessingCenter@finra.org

JYS:jeh:LC09A
idr: 03/09/2009

RECIPIENTS:

Jeffrey Erez, Esq., Philip Richardson Revocable Trust
Sonn & Erez, PLC, 500 East Broward Blvd., Suite 1600, Fort Lauderdale, FL 33394

Joshua D. Jones, Esq., Morgan Keegan & Company Inc
Maynard, Cooper & Gale, P.C., 2400 Regions/Harbert Plaza, 1901 Sixth Avenue North,
Birmingham, AL 35203

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Philip Richardson, as Trustee of the
Philip Richardson Revocable Trust
Kay Richardson, as Trustee of the
Philip Richardson Revocable Trust

Case Number: 08-01333

Name of the Respondent

Morgan Keegan & Company, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Philip Richardson, as Trustee of the Philip Richardson Revocable Trust ("P. Richardson"), and Kay Richardson, as Trustee of the Philip Richardson Revocable Trust ("K. Richardson"), hereinafter collectively referred to as "Claimants": Jeffrey Sonn, Esq., Jeffrey Erez, Esq. and Stefan M. Apotheker, Esq., Sonn & Erez, PLC, Ft. Lauderdale, Florida.

For Morgan Keegan & Company, Inc., hereinafter referred to as "Respondent": Joshua D. Jones, Esq. and John Bolus, Esq., Maynard, Cooper & Gale, PC, Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: April 29, 2008.

Claimant P. Richardson signed the Submission Agreement: April 24, 2008.

Claimant K. Richardson signed the Submission Agreement: April 24, 2008.

Statement of Answer filed by Respondent on or about: July 8, 2008.

Respondent signed the Submission Agreement: June 13, 2008.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; negligence; negligent supervision; fraud; breach of contract; violation of § 11 of the Securities Act of 1933; violation of § 12(a)(2) of the Securities Act of 1933; and, violation of the Virginia Securities Act. The causes of action relate to the purchase of Morgan Keegan High Income Fund and Regions Morgan Keegan Select Intermediate Bond Fund in Claimants' account.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested rescission and/or statutory damages of \$1,000,000.00; interest; costs; attorneys' fees; and, such other and further relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent requested that the Panel reject Claimants' Statement of Claim in its entirety; order that all of Respondent's attorneys' fees and costs be paid by Claimants; and, order that forum fees be borne by Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel acknowledges that they have each read the pleadings and other materials filed by the parties.

On or about March 5, 2009, Claimants filed with FINRA Dispute Resolution a notice of their voluntary opt-out of any and all class actions regarding the Morgan Keegan proprietary bond or income funds that have been filed or may be filed against Respondent. In their correspondence, Claimants further stated that they will not participate in these class actions or in any recovery that may result from these class actions.

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:

Respondent is liable on the claim of negligence and shall pay to Claimants compensatory damages in the amount of \$411,000.00, inclusive of pre-judgment interest.

Respondent is liable and shall pay to Claimants costs in the amount of \$20,000.00.

Any and all claims for relief not specifically addressed herein, including the parties' requests for attorneys' fees, are denied.

FEES

Pursuant to the Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial claim filing fee

= \$1,575.00

**The filing fee is made up of a non-refundable and a refundable portion.*

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. Respondent Morgan Keegan & Company, Inc. is a member firm and a party. Accordingly, the following member fees are assessed to Respondent Morgan Keegan & Company, Inc.:

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Contested Motion for Issuance of a Subpoena Fee

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) Decision on a contested motion for the issuance of a subpoena
(1) one arbitrator @ \$200.00 = \$ 200.00

Total Contested Motion for Issuance of Subpoenas Fees = \$ 200.00

The Panel has assessed the total contested motion for issuance of subpoena fees in the amount of \$200.00 to Respondent.

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A 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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00/session = \$ 900.00
Pre-hearing conferences: April 1, 2009 1 session
May 21, 2009 1 session

Three (3) Pre-hearing sessions with the Panel @ \$1,200.00/session = \$ 3,600.00
Pre-hearing conferences: September 16, 2008 1 session
March 26, 2009 1 session
May 18, 2009 1 session

Seven (7) Hearing sessions @ \$1,200.00/session = \$ 8,400.00
Hearing Dates: May 26, 2009 2 sessions
May 27, 2009 2 sessions
May 28, 2009 2 sessions
May 29, 2009 1 session

Total Hearing Session Fees = \$12,900.00

1. The Panel has assessed the total hearing session fees in the amount of \$12,900.00 to Respondent.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

- Thomas Anthony Van Tiem, Sr. - Public Arbitrator, Presiding Chairperson
- S. Harvey Ziegler - Public Arbitrator
- Marc S. Piven - Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Thomas Anthony Van Tiem, Sr.
Public Arbitrator, Presiding Chairperson

June 2, 2009
Signature Date

/s/
S. Harvey Ziegler
Public Arbitrator

June 2, 2009
Signature Date

/s/
Marc S. Piven
Non-Public Arbitrator

June 2, 2009
Signature Date

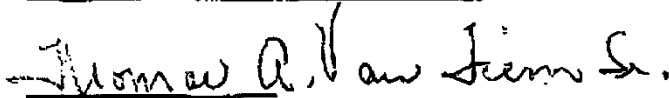
June 3, 2009
Date of Service (For FINRA Dispute Resolution office use only)

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S. Harvey Ziegler - Public Arbitrator
Marc S. Piven - Non-Public Arbitrator

Concurring Arbitrators' Signatures



Thomas Anthony Van Tiem, Sr.
Public Arbitrator, Presiding Chairperson



Signature Date


S. Harvey Ziegler
Public Arbitrator


Signature Date


Marc S. Piven
Non-Public Arbitrator


Signature Date

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Jun. 2. 2009 10:20AM
FINRA Dispute Resolution
Arbitration No. 08-01333
Award Page 4 of 4

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Marc S. Piven	-	Non-Public Arbitrator

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Thomas Anthony Van Tiem, Sr.
Public Arbitrator, Presiding Chairperson

Signature Date



S. Harvey Ziegler
Public Arbitrator

6-2-09

Signature Date

Marc S. Piven
Non-Public Arbitrator

Signature Date

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Concurring Arbitrators' Signatures

Thomas Anthony Van Tiem, Sr.
Public Arbitrator, Presiding Chairperson

Signature Date

S. Harvey Ziegler
Public Arbitrator

Signature Date



Marc S. Piven
Non-Public Arbitrator

6/2/09
Signature Date

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