



VIA MAIL AND FACSIMILE

June 22, 2009

Debra Brewer Hayes, Esq.
The Hayes Law Firm, P.C.
4265 San Felipe, Suite 1000
Houston, TX 77027

Subject: FINRA Dispute Resolution Arbitration Number 08-00925
United Prison Ministries vs. Morgan Keegan & Company, Inc.

Dear Ms. Hayes:

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
165 Broadway, 52nd Floor
New York, NY 10006

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

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

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,

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

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,



Nene E. Ndem
Case Administrator
Phone: 561-416-0277
Fax: 301-527-4868
SEProcessingCenter@finra.org

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

RECIPIENTS:

Debra Brewer Hayes, Esq., United Prison Ministries
The Hayes Law Firm, P.C., 4265 San Felipe, Suite 1000, Houston, TX 77027

Bradley B. Rounsaville, Esq., Morgan Keegan & Company Inc
Maynard Cooper & Gale, PC, 1901 Sixth Avenue North, 2400 Regions/Harbert Plaza,
Birmingham, AL 35203-2618

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
United Prison Ministries

Case Number: 08-00925

Name of the Respondent
Morgan Keegan & Company, Inc.

Hearing Site: Birmingham, Alabama

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For United Prison Ministries, hereinafter referred to as "Claimant": Debra Brewer Hayes, Esq. and Eric O'Steen, Esq., The Hayes Law Firm, Houston, Texas.

For Morgan Keegan & Company, Inc., hereinafter referred to as "Respondent": Bradley B. Rounsaville, Esq. and Donald F. Winningham III, Esq., Maynard Cooper & Gale, P.C., Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: March 28, 2008.
Claimant signed the Submission Agreement: April 7, 2008.
Statement of Answer filed by Respondent on or about: July 3, 2008.
Respondent signed the Submission Agreement: July 18, 2008.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of fiduciary duty; 2) breach of contract; 3) unsuitability; 4) failure to supervise; 5) violations of securities regulatory Rules; 6) violations of the Alabama Securities Act; and, 7) common law claims. The causes of action relate to Claimants' investment in the Regions Morgan Keegan Select High Income-C Bond Fund, a Morgan Keegan proprietary mutual fund.

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, Claimant requested: 1) compensatory damages in excess of \$360,000.00; comprising all net out of pocket losses in the account, all charges to the account, and the lost earnings that the account would have earned if it had been properly invested; 2) pre-judgment interest; 3) post-judgment interest; 5) rescission; 6) all costs of these proceedings, including hearing session fees and costs in bringing this action to protect Claimant's rights and best interests; 7) attorneys' fees; and, 8) punitive

damages.

Respondent requested that the Panel: 1) reject Claimant's Statement of Claim in its entirety; 2) order that all of Respondent's attorneys' fees and costs be paid by Claimant; and, 3) order that forum fees be borne by Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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

On or about March 5, 2009, Claimant filed with FINRA Dispute Resolution a notice of their non-participation in the class action pending in the U.S. District Court of Tennessee styled: *In Re: Regions Morgan Keegan Open-End Mutual Fund Litigation*, Civil Action 2:07-CV-2704. In its correspondence, Claimant further stated that it will not participate in any recovery that may result from the class action.

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 and shall pay to Claimant compensatory damages in the amount of \$100,913.00, plus interest thereon at the rate of 6% per annum, accruing from June 18, 2009, until the Award is paid.

Respondent is liable for and shall pay Claimant's attorneys' fees in the amount of \$66,600.00, pursuant to common law and the Alabama Securities Act.

Respondent is liable for and shall pay Claimant's costs in the amount of \$32,487.00.

Respondent is liable for and shall pay Claimant's expert witness fees in the amount of \$20,000.00.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages and Respondent's request for attorneys' fees, is 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 = \$ 1,425.00

**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 is a party and a member firm. Accordingly, the following member fees have been assessed in this matter:

Member surcharge = \$ 1,700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 2,750.00

Contested Motion for Issuance of a Subpoena Fees

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
by one (1) 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 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:

Three (3) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$1,350.00
Pre-hearing conferences: April 1, 2009 1 session
May 5, 2009 1 session
June 8, 2009 1 session

Four (4) Pre-hearing sessions with Panel @ \$1,125.00 = \$4,500.00
Pre-hearing conferences: August 18, 2008 1 session
September 3, 2008 1 session
June 10, 2009 1 session
June 16, 2009 1 session

Five (5) Hearing sessions with Panel @ \$1,125.00 = \$5,625.00
Hearing Dates: June 17, 2009 3 sessions
June 18, 2009 2 sessions

Total Hearing Session Fees = \$11,475.00

The Panel has assessed the total hearing session fees of \$11,475.00 to Respondent.

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

ARBITRATION PANEL

<i>Lita S. Menkin, J.D.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Constance Barron</i>	-	<i>Public Arbitrator</i>
<i>Stephen Edward Cundiff</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

<i>/s/</i>	<u>6/22/09</u>
<u>Lita S. Menkin, J.D.</u> Public Arbitrator, Presiding Chairperson	<u>Signature Date</u>
<i>/s/</i>	<u>6/22/09</u>
<u>Constance Barron</u> Public Arbitrator	<u>Signature Date</u>
<i>/s/</i>	<u>6/22/09</u>
<u>Stephen Edward Cundiff</u> Non-Public Arbitrator	<u>Signature Date</u>

June 22, 2009

Date of Service (For FINRA Dispute Resolution office use only)


Jun. 22. 2009 11:44AM
Arbitration No. 08-00926
Award Page 4 of 4

The Panel has assessed the total hearing session fees of \$11,475.00 to Respondent.
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

<i>Lita S. Menkin, J.D.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Constance Barron</i>	-	<i>Public Arbitrator</i>
<i>Stephen Edward Cundiff</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


 Lita S. Menkin, J.D.
 Public Arbitrator, Presiding Chairperson


 Signature Date

 Constance Barron
 Public Arbitrator

 Signature Date

 Stephen Edward Cundiff
 Non-Public Arbitrator

 Signature Date

Date of Service (For FINRA Dispute Resolution office use only)

Arbitration No. 08-00926
Award Page 4 of 4

The Panel has assessed the total hearing session fees of \$11,475.00 to Respondent.

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

ARBITRATION PANEL

<i>Lita S. Menkin, J.D.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Constance Barron</i>	-	<i>Public Arbitrator</i>
<i>Stephen Edward Cundiff</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Lita S. Menkin, J.D.
Public Arbitrator, Presiding Chairperson

Signature Date

Constance Barron
Constance Barron
Public Arbitrator

6-22-09
Signature Date

Stephen Edward Cundiff
Non-Public Arbitrator

Signature Date

Date of Service (For FINRA Dispute Resolution office use only)

Arbitration No. 08-00925
Award Page 4 of 4

The Panel has assessed the total hearing session fees of \$11,475.00 to Respondent.
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

<i>Lita S. Menkin, J.D.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Constance Barron</i>	-	<i>Public Arbitrator</i>
<i>Stephen Edward Cundiff</i>	-	<i>Non-Public Arbitrator</i>

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Signature Date

Constance Barron
Public Arbitrator

Signature Date


Stephen Edward Cundiff
Non-Public Arbitrator

6-22-09
Signature Date

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