

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

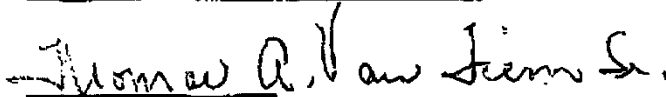
June 3, 2009
Date of Service (For FINRA Dispute Resolution office use only)

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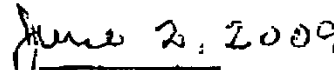
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Public Arbitrator, Presiding Chairperson



Signature Date


S. Harvey Ziegler
Public Arbitrator


Signature Date


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Jun. 2. 2009 10:20AM
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Public Arbitrator, Presiding Chairperson

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Public Arbitrator

6-2-09

Signature Date

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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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