

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of the Claimant
Richard L. Wampold

Case Number: 00-04396

Names of the Respondents
A.G. Edwards & Sons, Inc.
Bryce Weldon Smith

Hearing Site: New Orleans, LA

REPRESENTATION OF PARTIES

For Richard L. Wampold, hereinafter referred to as "Claimant": Jack M. Dampf, Esq. of Dampf, Edwards, Thibaut, Melanson, Delatte & Marcantel, L.L.P., Baton Rouge, LA.

For A.G. Edwards & Sons, Inc. ("AGE") and Bryce Weldon Smith ("Smith"), hereinafter collectively referred to as "Respondents": Clay L. Grumke, Esq., Vice President and Counsel, AGE, St. Louis, MO.

CASE INFORMATION

Statement of Claim filed on or about: October 3, 2000.

Amended Statement of Claim filed on or about: July 13, 2001.

Claimant signed the Uniform Submission Agreement: September 12, 2000.

Answer of A.G. Edwards and Bryce Smith filed on or about: December 15, 2000.

Respondent AGE signed the Uniform Submission Agreement: December 14, 2000.

Respondent Smith signed the Uniform Submission Agreement: November 10, 2000.

Claimant's Motion and Order for Consolidation of Proceedings filed on or about: June 29, 2001.

Respondents' Opposition to Claimant's Motion for Consolidation of Proceedings filed on or about: July 9, 2001.

Claimant's Motion for Leave to File Amended Statement of Claim filed on or about: July 30, 2001.

Respondents' Response to Claimant's Motion for Leave to File Amended Statement of Claim filed on or about: July 30, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentation; change of Claimant's account type from "Growth-Aggressive" to "Speculative" without Claimant's consent; purchase of stock against Claimant's wishes; and, Respondents' failure to know their customer. The causes of action relate to the purchase and sale of 13,000 shares of Interdigital Communications stock and the purchase of Kafus Industries stock in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses including: failure to state a claim

upon which relief can be granted; ratification; and, estoppel.

RELIEF REQUESTED

Claimant requested compensatory damages of \$780,000.00 plus interest, attorneys' fees, costs, and reinstatement of stock.

Respondents requested dismissal of the Statement of Claim, costs, and that all fees be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

On or about August 22, 2001, the Panel issued an order which denied Claimant's Motion to Consolidate and granted Claimant's Motion to Amend.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

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

Claimant's Statement of Claim and Amended Statement of Claim are dismissed, with prejudice.

Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 | = \$375.00 |
|--------------------------|------------|

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 | = \$2,000.00 |
| Pre-hearing process fee | = \$600.00 |
| Hearing process fee | = \$3,500.00 |

Adjournment Fees

Adjournments requested during these proceedings:

No requests for adjournment were filed in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments

The Panel has assessed forum 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 Panel @ \$1,200.00 | = \$2,400.00 |
| Pre-hearing conferences: June 12, 2001 1 session | |
| July 13, 2001 1 session | |
| Two (2) Hearing sessions @ \$1,200.00 | = \$2,400.00 |
| Hearing Date: April 23, 2002 2 sessions | |
| Total Forum Fees | = \$4,800.00 |

The Panel has assessed \$2,400.00 of the forum fees to Claimant.

The Panel has assessed \$2,400.00 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 beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

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|--------------------|--------------|
| Initial Filing Fee | = \$375.00 |
| Forum Fees | = \$2,400.00 |

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|---------------|--------------|
| Total Fees | = \$2,775.00 |
| Less payments | = \$1,575.00 |

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|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$1,200.00 |
|---|--------------|

Respondent AGE is solely liable for:

| | |
|-------------|--------------|
| Member Fees | = \$6,100.00 |
|-------------|--------------|

| | |
|---------------|--------------|
| Total Fees | = \$6,100.00 |
| Less payments | = \$6,100.00 |

| | |
|---|----------|
| Balance Due NASD Dispute Resolution, Inc. | = \$0.00 |
|---|----------|

Respondents are jointly and severally liable for:

| | |
|------------|--------------|
| Forum Fees | = \$2,400.00 |
|------------|--------------|

| | |
|---------------|--------------|
| Total Fees | = \$2,400.00 |
| Less payments | = \$0.00 |

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$2,400.00 |
|---|--------------|

All balances are payable to NASD Dispute Resolution, Inc. and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

| | | |
|-------------------|---|------------------------------------|
| Ron Christner | - | Public Arbitrator, Presiding Chair |
| Herman Brasseaux | - | Public Arbitrator |
| Michael T. Nobile | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

/s/

Ron Christner
Public Arbitrator, Presiding Chair

Signature Date

/s/

Herman Brasseaux
Public Arbitrator

Signature Date

/s/

Michael T. Nobile
Non-Public Arbitrator

Signature Date

June 3, 2002

Date of Service (For NASD-Dispute Resolution office use only)

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NASD Dispute Resolution, Inc.

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Total Fees = \$2,775.00

Less payments = \$1,575.00

Balance Due NASD Dispute Resolution, Inc. = \$1,200.00

Respondent AGE is solely liable for:

Member Fees = \$6,100.00

Total Fees = \$6,100.00

Less payments = \$6,100.00

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondents are jointly and severally liable for:

Forum Fees = \$2,400.00

Total Fees = \$2,400.00

Less payments = \$0.00

Balance Due NASD Dispute Resolution, Inc. = \$2,400.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Ron Christner

-

Public Arbitrator, Presiding Chair

Herman Brasseaux

-

Public Arbitrator

Michael T. Nobile

-

Non-Public Arbitrator

Concurring Arbitrators' Signatures

Ron Christner

Public Arbitrator, Presiding Chair

5-30-02

Signature Date

Herman Brasseaux

Public Arbitrator

Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 00-04396

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| Total Fees | = \$6,100.00 |
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| Balance Due NASD Dispute Resolution, Inc. | = \$0.00 |
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| Total Fees | = \$2,400.00 |
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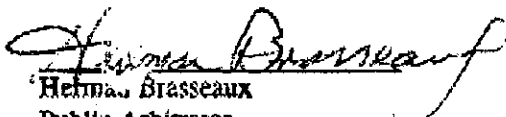
ARBITRATION PANEL

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| Ron Christner | - | Public Arbitrator, Presiding Chair |
| Herman Brasseaux | - | Public Arbitrator |
| Michael T. Nobile | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

Ron Christner
Public Arbitrator, Presiding Chair

Signature Date



Herman Brasseaux
Public Arbitrator

Signature Date

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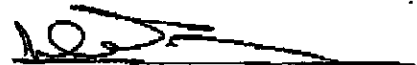
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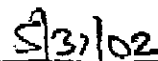
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Michael T. Nobile

Non-Public Arbitrator



Signature Date

Date of Service (For NASD-Dispute Resolution office use only)