

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Brett Saunders, Claimant v. A.G. Edwards & Sons, Inc., and Paul Neuner, Respondents

Case Number: 01-03269

Hearing Site: Los Angeles, California

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**REPRESENTATION OF PARTIES**

For Claimant:

Robert A. Uhl, Esq.  
Aidikoff & Uhl  
Beverly Hills, California

For Respondents:

Michael Naccarato, Esq.  
A.G. Edwards & Sons, Inc.  
St. Louis, Missouri

**CASE INFORMATION**

Statement of Claim filed: June 18, 2001

Claimant's Uniform Submission Agreement signed: December 31, 2000

Joint Statement of Answer filed by Respondents: October 12, 2001

Respondent A.G. Edwards & Sons, Inc.'s Uniform Submission Agreement signed:  
September 6, 2001

Respondent Paul Neuner's Uniform Submission Agreement signed: September 17, 2001

**CASE SUMMARY**

Claimant alleged breach of fiduciary duty, fraud, failure to supervise and control, violation of federal and state securities laws, and violation of NASD Rules of Fair Practice and New York Stock Exchange rules, involving unspecified securities.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$78,846.50 in compensatory damages, unspecified punitive damages, all profits that Respondents generated from Claimant's accounts, lost opportunity cost, interest and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable to and shall pay Claimant the sum of \$47,728.00 in compensatory damages.
2. Respondents are jointly and severally liable to and shall pay Claimant pre-judgment interest on the total amount of the award at the rate of 10%, beginning on October 1, 1998 to the date the award is served.
3. Respondents are jointly and severally liable to and shall reimburse Claimant \$225.00 for the claim filing fee paid to NASD Dispute Resolution.
4. Respondent A.G. Edwards & Sons, Inc. is liable to and shall pay Claimant the sum of \$25,000.00 in punitive damages.
5. The parties shall bear their respective costs, including attorney's fees.
6. All other relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 225.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm A.G. Edwards & Sons, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 1,500.00</u>
<b>Total Member Fees</b>	<b>= \$ 3,100.00</b>

#### **Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: June 25, 2002 1 session	
(1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conference: March 7, 2002 1 session	
(6) Hearing sessions @ \$750.00/session	= \$ 4,500.00
Hearings: October 30, 2002 2 sessions	
October 31, 2002 2 sessions	
November 1, 2002 2 sessions	

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<b>Total Forum Fees</b>	<b>= \$ 5,700.00</b>
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The Panel assessed \$ 5,700.00 of the forum fees jointly and severally to Respondents.

**Fee Summary**

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Less payments</u>	= \$ ( 975.00)
<b>Refund Due Claimant</b>	<b>= \$ ( 750.00)</b>

2. Respondent A.G. Edwards & Sons, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
<u>Less payments</u>	= \$(3,100.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

3. Respondents are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 5,700.00
<u>Less payments</u>	= \$( 0.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 5,700.00</b>

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

**ARBITRATION PANEL**

Richard J. Rosenthal	-	Public Arbitrator, Presiding Chair
Lambert M. Javelera, Esq.	-	Public Arbitrator
John B. La Rue	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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Richard J. Rosenthal  
Chair, Public Arbitrator

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Signature Date

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Lambert M. Javelera, Esq.  
Public Arbitrator

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Signature Date

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John B. La Rue  
Non-Public Arbitrator

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Signature Date

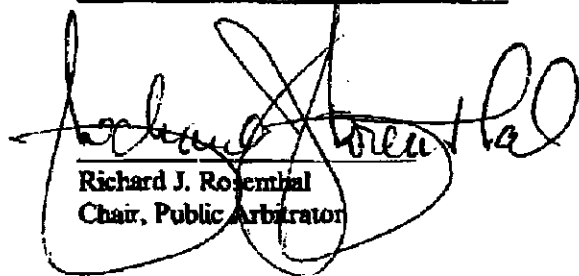
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Date of Service

**ARBITRATION PANEL**

Richard J. Rosenthal	-	Public Arbitrator, Presiding Chair
Lambert M. Javelera, Esq.	-	Public Arbitrator
John B. La Rue	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**



Richard J. Rosenthal  
Chair, Public Arbitrator

Nov 13, 2002  
Signature Date

Lambert M. Javelera, Esq.  
Public Arbitrator

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Signature Date

John B. La Rue  
Non-Public Arbitrator

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Signature Date

11/14/02  
Date of Service

**ARBITRATION PANEL**

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Lambert M. Javelera, Esq.	-	Public Arbitrator
John B. La Rue	-	Non-Public Arbitrator

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Richard J. Rosenthal  
Chair, Public Arbitrator

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Signature Date

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Lambert M. Javelera, Esq.  
Public Arbitrator

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11/11/02  
Signature Date

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John B. La Rue  
Non-Public Arbitrator

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Signature Date

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11/14/02  
Date of Service

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Richard J. Rosenthal  
Chair, Public Arbitrator

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Lambert M. Javelera, Esq.  
Public Arbitrator

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John B. La Rue  
Non-Public Arbitrator

11-11-02  
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