

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Robert Bayless and Natalie Bayless, Trustees, AD Exchange Profit Sharing Plan DTD 1-1-88,
and Robert Bayless and Natalie Bayless, Trustees, AD Exchange Money Purchase Plan DTD
1-1-97 (Claimants) v. John N. Janoch, Cheryl L. Amato, and A.G. Edwards & Sons. Inc.
(Respondents)

Case Number: 02-05021

Hearing Site: Cleveland, Ohio

Nature of the Dispute: Customers vs. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimants Robert Bayless and Natalie Bayless, Trustees, AD Exchange Profit Sharing Plan DTD 1-1-88, ("Profit Sharing Plan") and Robert Bayless and Natalie Bayless, Trustees, AD Exchange Money Purchase Plan DTD 1-1-97 ("Money Purchase Plan") hereinafter collectively referred to as "Claimants": Brian P. Biggins, Esq., Brian P. Biggins & Associates, Co., L.P.A., Rocky River, OH.

Respondents John N. Janoch ("Janoch"), Cheryl L. Amato ("Amato"), and A.G. Edwards & Sons. Inc., ("AG Edwards") hereinafter collectively referred to as "Respondents": William S. Port, Esq., AG Edwards, St. Louis, MO.

CASE INFORMATION

Statement of Claim filed on or about: August 20, 2002.

Claimants signed the Uniform Submission Agreement: September 5, 2002.

Joint Statement of Answer filed by Respondents on or about: November 18, 2002.

Respondents Janoch signed the Uniform Submission Agreement: October 12, 2002.

Respondent Amato signed the Uniform Submission Agreement: October 18, 2002.

Respondent AG Edwards signed the Uniform Submission Agreement: October 31, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitability, fraud, negligence, negligent supervision, and breach of fiduciary duty. The causes of action relate to Nuveen unit trusts or

defined portfolios, Nuveen Peroni Top 20 fund, Nuveen Gem 30 fund, Seligman Communications and Information Fund, corporate bonds, Fannie Mae mortgage notes/bonds, money market accounts, and T-bills.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in excess of \$170,000.00, punitive damages in the amount of \$1,000,000.00, reasonable attorneys' fees and all costs of these proceedings, and for all other general and equitable relief as the law and facts may warrant.

Respondents requested an order dismissing the Statement of Claim in its entirety, awarding Respondents their costs and fees associated with the defense of this matter, including attorneys' fees, and such other and further relief as the panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated October 25, 2005 the parties notified NASD Dispute Resolution that they settled this matter and agreed to the entry of a Stipulated Award.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. Claimants' claims are dismissed in their entirety with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Cheryl L. Amato's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Cheryl L. Amato must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. All parties shall bear their own attorneys' fees.

4. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to 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	= \$ 500.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm A.G. Edwards & Sons, Inc. is a party.

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$5,000.00

Adjournment Fees

The following adjournment fees are assessed:

March 16-19, 2004 adjournment requested by Claimants	WAIVED
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Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Forum fees associated with these proceedings are:

(1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: June 2, 2003 1 session	
Total Forum Fees	= \$1,200.00

1. The Panel has assessed \$600.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants the Profit Sharing Plan and Money Purchasing Plan are jointly and severally liable for:

Forum Fees	= \$ 600.00
<u>Filing Fee</u>	= \$ 500.00
Total Fees	= \$1,100.00
<u>Less payments</u>	= \$1,700.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Pursuant to Rule 10332(f) of the Code of Arbitration Procedure, NASD is retaining the total amount of the hearing session deposited by the Claimant because this office was notified by the parties that they settled this matter within eight business days of the first scheduled hearing.

2. Respondent AG Edwards is solely liable for:

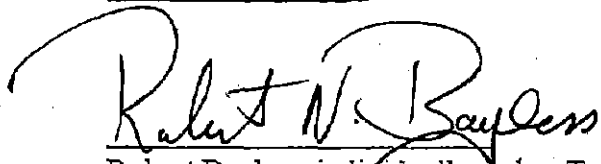
<u>Member Fees</u>	= \$8,550.00
Total Fees	= \$8,550.00
<u>Less payments</u>	= \$8,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents AG Edwards, Amato, and Janoch are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 600.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

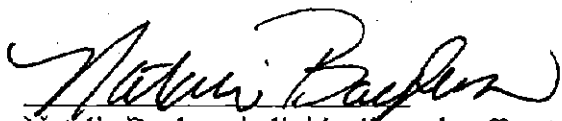
Parties' Signatures



Robert Bayless, individually and as Trustee
Claimant

October 24, 2005

Signature Date



Natalie Bayless, individually and as Trustee
Claimant

OCTOBER 24, 2005

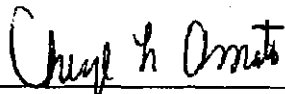
Signature Date



A.G. Edwards & Sons, Inc.
Respondent

October 27, 2005

Signature Date



Cheryl L. Amato
Respondent


Oct 30, 2005

Signature Date

ARBITRATION PANEL

Jonathan I. Klein, Esq.	-	Public Arbitrator, Presiding Chair
John S. Weisheit	-	Public Arbitrator
Sherry L. Bruce	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jonathan I. Klein, Esq.
Public Arbitrator, Presiding Chair

January 25, 2006
Signature Date

John S. Weisheit
Public Arbitrator

Signature Date

Sherry L. Bruce
Non-Public Arbitrator

Signature Date

February 22, 2006

Date of Service (For NASD office use only)

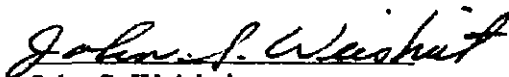
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Jonathan I. Klein, Esq.	-	Public Arbitrator, Presiding Chair
John S. Weisheit	-	Public Arbitrator
Sherry L. Bruce	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Jonathan I. Klein, Esq.
Public Arbitrator, Presiding Chair

Signature Date


John S. Weisheit
Public Arbitrator

1-20-06
Signature Date

Sherry L. Bruce
Non-Public Arbitrator

Signature Date

February 22, 2006

Date of Service (For NASD office use only)

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Jonathan I. Klein, Esq.	-	Public Arbitrator, Presiding Chair
John S. Weisheit	-	Public Arbitrator
Sherry L. Bruce	-	Non-Public Arbitrator

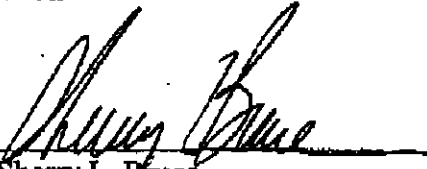
Concurring Arbitrators' Signatures

Jonathan I. Klein, Esq.
Public Arbitrator, Presiding Chair

Signature Date

John S. Weisheit
Public Arbitrator

Signature Date


Sherry L. Bruce
Non-Public Arbitrator

1/24/06
Signature Date

February 22, 2006
Date of Service (For NASD office use only)