

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimants

Raul A. Chipongian and
Mary Lou Chipongian

Case Number: 03-01454

Name of the Respondent

Edward D. Jones & Co.

Hearing Site: St. Louis, Missouri

NATURE OF DISPUTE

Customers vs. Member Firm

REPRESENTATION OF PARTIES

Steven W. Koslovsky, Esq. of Maryland Heights, Missouri represented the Claimants, Raul A. Chipongian and Mary Lou Chipongian, hereinafter collectively referred to as "Claimants."

Lisa Nielsen, Esq. of Greensfelder, Hemker & Gale, P.C. located in St. Louis, Missouri, represented the Respondent, Edward D. Jones & Co. ("Edward Jones"), hereinafter referred to as "Respondent."

CASE INFORMATION

Statement of Claim filed on or about February 28, 2003. Claimants, Raul A. Chipongian and Mary Lou Chipongian, jointly signed the Uniform Submission Agreement on February 14, 2003.

Statement of Answer and Motion to Dismiss Claims of Claimant Mary Lou Chipongian were filed by Respondent, Edward D. Jones & Co. on or about April 28, 2003. Respondent Edward Jones signed the Uniform Submission Agreement on March 11, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: negligence, breach of fiduciary duty, failure to supervise and violation of the Missouri Securities Act. The causes of action relate to individual stocks, such as Advanced Fibre Communications, Ciena, Cisco, Dell Computer, Echostar Communication, EMC Corp., Gadzoox Networks, Oracle, Qualcomm, Qwest Communication, Vodafone Airtouch and others. Claimants asserted

that these stock investments were aggressive and unsuitable to Claimant's needs and objectives.

Unless specifically admitted in its Answer, Respondent Edward Jones denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Claimants ratified all transactions that took place in their Edward Jones' account and therefore, is barred from recovering any alleged loss resulting from such transactions.
2. To the extent that Claimants have suffered any damages, they are the product of the negligent conduct of Claimants or others such that some or all of Claimants' recovery is barred by those contributory or comparative negligent acts.
3. Claimants failed to mitigate their alleged damages and therefore, are barred from recovering any damages to the extent that such damages could have been prevented had Claimant fulfilled his duty to mitigate.
4. The Statement of Claim is barred by the doctrine of waiver.
5. The Statement of Claim is barred by the doctrine of estoppel.
6. The Statement of Claim is barred by the statute of limitations.
7. Claimants were on notice of, understood and assumed the risks associated with the investment transactions they made in their Edward Jones account and therefore, are barred from recovering any alleged losses resulting from such transactions.
8. Claimants authorized and instructed Edward Jones to enter into all of the transactions at issue and therefore, claims based on such transactions should be dismissed.
9. At all time relevant herein, Edward Jones had adequate supervisory mechanisms and safeguards in place and, at all times relevant herein, Edward Jones acted in accordance with these procedures.
10. Claimant's Statement of Claim fails to state a claim for fraud or negligent misrepresentation because Claimant has failed to allege or identify any misrepresentation made on behalf of Edward Jones in connection with an investment transaction.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$2,500,000.00
Punitive Damages	\$2,500,000.00
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondent, Edward Jones, requests that all claims in Claimants' Statement of Claim be dismissed in their entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On April 2, 2004, a pre-hearing conference was held to address parties' discovery disputes and Respondent's Motion to Dismiss Claims of Claimant Mary Lou Chipongian. The Chairman reserved his ruling on Respondent's Motion to Dismiss until the close of hearing. At the hearing, the Panel denied Respondent's Motion.

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

1. Any and all claims asserted by Claimants, Raul A. Chipongian and Mary Lou Chipongian, are denied.
2. Respondent, Edward D. Jones & Co., is solely liable for and shall pay to Claimants, Raul A. Chipongian and Mary Lou Chipongian, the sum of \$600.00 as reimbursement for the non-refundable NASD Dispute Resolution fee.
3. Parties shall bear their own costs, including attorneys' fees, except as specified herein.
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 will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 600.00
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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 person at the time of the events giving rise to the dispute. Accordingly, Edward D. Jones & Co. is a party to these proceedings and is assessed the following fees:

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences:	
February 6, 2004	1 session
April 2, 2004	1 session

One (1) Pre-hearing session with Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference:	
October 3, 2003	1 session

Eight (8) Hearing sessions @ \$1,200.00	= \$ 9,600.00
Hearing Dates:	
April 19, 2004	2 sessions
April 20, 2004	2 sessions
April 21, 2004	3 sessions
April 22, 2004	1 session

Total Forum Fees	= \$11,700.00
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1. The Panel has assessed 100% of the total forum fees in the amount of \$11,700.00 solely to Respondent, Edward D. Jones & Co.

Fee Summary

1. Claimant, Raul A. Chipongian and Mary Lou Chipongian, are jointly liable for:

Initial Filing Fee	= \$ 600.00
<u>Less payments</u>	= \$ 1,800.00
Refund Due from NASD Dispute Resolution	= \$ 1,200.00
2. Respondent, Edward D. Jones & Co., is solely liable for:

Member Fees	= \$ 8,550.00
<u>Forum Fees</u>	= \$11,700.00
Total Fees	= \$20,250.00
<u>Less payments</u>	= \$ 8,550.00
Balance Due NASD Dispute Resolution	= \$11,700.00

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

ARBITRATION PANEL

Thomas J. Ray, Esq.	-	Public Arbitrator, Presiding Chairperson
Raymond R. Hirsch, Esq.	-	Public Arbitrator
Ronald L. Looney	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas J. Ray, Esq.
Public Arbitrator, Presiding Chairperson

4/29/04
Signature Date

Raymond R. Hirsch, Esq.
Public Arbitrator

4/30/04
Signature Date

Ronald L. Looney
Non-Public Arbitrator

4/28/04
Signature Date

4/30/04
Date of Service (For NASD Dispute Resolution office use only)

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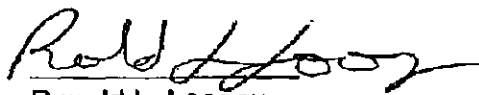
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