

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimants

Roman C. Peterson, Ruth B. Peterson
and Roger Peterson

and

Case Number: 03-04689
Hearing Site: Chicago, Illinois

Name of Respondent

Edward Jones & Co.

NATURE OF DISPUTE

Claimants v. Member

REPRESENTATION OF PARTIES

Roman C. Peterson, Ruth B. Peterson and Roger Peterson, ("**Claimants**"), were represented by Mark Sanders, Esq., Halling & Cayo, located in Milwaukee, Wisconsin.

Respondent Edward Jones & Co., ("**Jones**"), or ("**Respondent**") was represented by Dennis K. Egan, Esq., of Butzel Long, located in Bloomfield Hills, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about June 27, 2003. The Submission Agreement of Claimants was signed by all Claimants on June 4, 2003.

Statement of Answer was filed by Respondent on August 25, 2003. The Submission Agreement of Respondent was signed on July 15, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: Violations of the Wisconsin Uniform Securities Law; negligent misrepresentation; and negligence. Claimants' causes of action are in connection with transactions involving stocks, mutual funds and a Hartford Annuity.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including but not limited to the following: Respondent did not recommend any investments inconsistent with Claimants' investment objectives; Claimants' losses were caused by adverse market

conditions; Claimants approved all of the investments in their accounts; Respondent never told Claimants that the annuity they purchased was "bulletproof"; Respondent did not violate the Wisconsin Securities Act; Respondents did not act negligently or make any negligent misrepresentations; Claimants' losses are barred by the Statute of Limitations; Claimants' losses were caused by their own negligence; Claimants failed to act reasonably to mitigate their damages, and Claimants are estopped from bringing these claims.

RELIEF REQUESTED

Claimant requested an award in the amount of \$350,000.00 in compensatory damages, costs and expenses, including statutory attorneys' fees and such other further relief as the Panel may deem appropriate.

Respondent requested that the claims asserted against it be denied in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing and the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Edward Jones & Co., is liable for and shall pay to Claimants Roman C. Peterson, and Ruth B. Peterson \$50,000.00 in compensatory damages;
2. Respondent Edward Jones & Co., is liable and shall pay to Roger Peterson the sum of \$55,000.00 in compensatory damages;
3. Interest shall accrue on the compensatory damages awarded to Claimants Roman C. Peterson, Ruth B. Peterson and Roger Peterson at the Wisconsin statutory rate and shall begin to accrue (10) business days after receipt of this award and shall cease to accrue when the award is paid in full;
4. That other than forum fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and,
5. That any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice

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 = \$ 300.00

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. In this matter, the member firm is Edward Jones & Co.

Member surcharge = \$1,700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$2,750.00

Forum Fees and Assessments

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

Two (2) Pre-hearing session with the Panel x \$2,250.00 = \$2,250.00

Pre-hearing conferences: March 25, 2004 1 session
September 1, 2004 1 session

Six (6) Hearing sessions x \$1,125.00 = \$ 6,750.00

Hearing Dates: November 9, 2004 2 sessions
November 10, 2004 2 sessions
November 11, 2004 2 sessions

Total Forum Fees = \$9,000.00

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Claimants Roman Peterson, Ruth Peterson and Roger Peterson jointly and severally.

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Respondent Edward Jones & Co.

Fee Summary

Claimants, Roman C. Peterson, Ruth B. Peterson and Roger Peterson are jointly and severally liable for:

Initial Filing	= \$ 300.00
Forum Fees	= \$ 4,500.00
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance due to NASD Dispute Resolution	= \$ 3,375.00

Respondent Edward Jones & Co. is liable solely for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,500.00
<u>Total Fees</u>	<u>= \$ 5,200.00</u>
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance due to NASD Dispute Resolution	= \$ 4,500.00

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

ARBITRATION PANEL

Thomas F. Mahoney, Esq. - Public Arbitrator, Presiding Chairperson
Gordon B. Shneider, Esq. - Public Arbitrator
Elise M. Neils, J.D. - Non-Public Arbitrator

Concurring Arbitrators:

Thomas F. Mahoney, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gordon B. Shneider, Esq.
Public Arbitrator

Signature Date

Elise M. Neils, J.D.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

December 3, 2004

NASD Dispute Resolution
Arbitration No. 03-04558
Award Page 4 of 5

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Respondent Edward Jones & Co.

Fee Summary

Claimants, Roman C. Peterson, Ruth B. Peterson and Roger Peterson are jointly and severally liable for:

Initial Filing	= \$ 300.00
Forum Fees	= \$ 4,500.00
Less payments	= \$ 1,425.00
Balance due to NASD Dispute Resolution	= \$ 3,375.00

Respondent Edward Jones & Co. is liable solely for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,500.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance due to NASD Dispute Resolution	= \$ 4,500.00

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

ARBITRATION PANEL

Thomas F. Mahoney, Esq. - Public Arbitrator, Presiding Chairperson
Gordon B. Shneider, Esq. - Public Arbitrator
Elise M. Nells, J.D. - Non-Public Arbitrator

Concurring Arbitrators:

Thomas F. Mahoney
Thomas F. Mahoney, Esq.
Public Arbitrator, Presiding Chair

1 DEC 04
Signature Date

Gordon B. Schneider, Esq.
Public Arbitrator

Signature Date

Elise M. Neils, J.D.
Non-Public Arbitrator

Signature Date

NASD Dispute Resolution
Arbitration No. 03-04589
Award Page 4 of 6

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Respondent Edward Jones & Co.

Fee Summary

Claimants, Roman C. Peterson, Ruth B. Peterson and Roger Peterson are jointly and severally liable for:

Initial Filing	= \$ 300.00
Forum Fees	= \$ 4,500.00
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance due to NASD Dispute Resolution	= \$ 3,375.00

Respondent Edward Jones & Co. is liable solely for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,500.00
<u>Total Fees</u>	<u>= \$ 9,700.00</u>
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance due to NASD Dispute Resolution	= \$ 4,500.00

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

ARBITRATION PANEL

Thomas F. Mahoney, Esq. - Public Arbitrator, Presiding Chairperson
Gordon B. Shneider, Esq. - Public Arbitrator
Elise M. Nells, J.D. - Non-Public Arbitrator

Concurring Arbitrators:

Thomas F. Mahoney, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gordon B. Shneider, Esq.
Public Arbitrator

Signature Date


Elise M. Nells, J.D.
Non-Public Arbitrator

29 Nov 2004
Signature Date