

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimant

Jake DeGroote

v.

03-04905

Minneapolis, Minnesota

Respondents

A.G. Edwards & Sons, Inc. and Paul Lovegren

Nature of Dispute: Customer v. Member and Associated Person

REPRESENTATION OF PARTIES

Jake DeGroote ("**Claimant**") was represented by Martin Peterson, Esq., of Klinkenborg, Hansmann & Petersen, Parkersburg, Iowa.

A.G. Edwards & Sons, Inc. ("**AGE**") and Paul Lovegren ("**Lovegren**"), hereinafter referred to as ("**Respondents**"), were represented by James C. Browning, Esq., of A.G. Edwards & Sons, Inc., St. Louis, Missouri.

CASE INFORMATION

The Statement of Claim was filed on or about June 23, 2003. Submission Agreement of Claimant was signed on or about June 3, 2003.

A Joint Statement of Answer was filed by Respondents A.G. Edwards & Sons, Inc. and Paul Lovegren on or about August 28, 2003. Submission Agreement of Respondent A.G. Edwards & Sons, Inc. was signed by Stephen G. Sneeringer, Senior Vice President, A.G. Edwards & Sons, Inc., on or about August 11, 2003. Submission Agreement of Respondent Paul Lovegren was signed on or about August 27, 2003.

CASE SUMMARY

Claimant asserted causes of action including the following: negligence, breach of fiduciary duty, failure to execute, and unauthorized trading. The causes of action related to Claimant's allegation that Respondents failed to honor his request to purchase \$2,200 in buy options of Euro currency. Instead, according to Claimant, Respondents entered his purchase as \$2,200 in EuroFX short puts, causing Claimant to lose money.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimant failed to state a claim upon which relief can be granted; Claimant's claims are barred by the doctrines of waiver, estoppel, ratification and laches; Claimant failed to exercise due diligence in connection with making the investments complained of in his Statement of Claim; Claimant's claims are barred by the doctrines of lack of consideration and failure of consideration; and the transactions complained of in the Statement of Claim were duly authorized by Claimant, who at all times, was in sole control of the assets in his account.

RELIEF REQUESTED

Claimant requested an award in the amount of \$18,000 in actual damages. In addition, Claimant requested interest, attorney's fees, costs and any other relief that the panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondents requested that this matter be expunged from Respondent Paul Lovegren's permanent registration records maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Prior to the hearing, the Parties fully and finally settled all claims by and between them. As part of their settlement agreement, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

AWARD

After considering the pleadings and the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrator orders as follows:

1. Claimant's claims having been withdrawn, are hereby dismissed with prejudice in their entirety;
2. The arbitrator recommends the expungement of all reference to the above captioned arbitration from Respondent Paul Lovegren'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 Paul Lovegren must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

3. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 125

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 A.G. Edwards & Sons, Inc.

Member surcharge = \$ 425

Forum Fees and Assessments

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

Three (3) Pre-hearing sessions with the Chairperson x \$ 450 = \$ 1,350

Pre-hearing conferences:	01/26/2004	1 session
	04/06/2004	1 session
	04/16/2004	1 session

Total Forum Fees = \$ 1,350

The Arbitrator has assessed \$ 675 of the forum fees to Jake DeGroot.

The Arbitrator has assessed \$ 675 of the forum fees jointly and severally to A.G. Edwards & Sons, Inc. and Paul Lovegren.

Fee Summary

Claimant, Jake DeGroote is liable for:

Initial Filing Fee	= \$ 125
Forum Fees	= \$ 675
Total Fees	= \$ 800
Less payments	= \$ 575
Balance Due NASD Dispute Resolution	= \$ 225

Respondent, A.G. Edwards & Sons, Inc., is liable for:

Member Fees	= \$ 425
Total Fees	= \$ 425
Less payments	= \$ 425
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, A.G. Edwards & Sons, Inc. and Paul Lovegren are jointly and severally liable for:

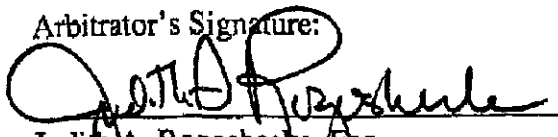
Forum Fees	= \$ 675
Total Fees	= \$ 675
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 675

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

ARBITRATOR

Judith A. Rogosheske, Esq. - Public Arbitrator, Presiding Chair

Arbitrator's Signature:


Judith A. Rogosheske, Esq.
Public Arbitrator, Presiding Chair

26 May 2004
Signature Date

6/1/04
Date of Service (NASD use only)

Fee Summary

Claimant, Jake DeGroote is liable for:

Initial Filing Fee	= \$ 125
<u>Forum Fees</u>	= \$ 675
Total Fees	= \$ 800
<u>Less payments</u>	= \$ 575
Balance Due NASD Dispute Resolution	= \$ 225

Respondent, A.G. Edwards & Sons, Inc., is liable for:

Member Fees	= \$ 425
Total Fees	= \$ 425
<u>Less payments</u>	= \$ 425
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, A.G. Edwards & Sons, Inc. and Paul Lovegren are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 675
Total Fees	= \$ 675
<u>Less payments</u>	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 675

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

ARBITRATOR

Judith A. Rogosheske, Esq. - Public Arbitrator, Presiding Chair

Arbitrator's Signature:

Judith A. Rogosheske, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Date of Service (NASD use only)