

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Larry Madres, Individually and
As Custodian for Joseph and Brett Madres, UGMA

Case Number: 03-05073

Names of the Respondents
A.G. Edwards & Sons, Inc.
George Melvin Schwartz, Jr.

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant, Larry Madres, Individually and as Custodian for Joseph Madres and Brett Madres, UGMA, hereinafter referred to as "Claimant", was represented by Nicholas J. Guiliano, Esq., The Guiliano Law Firm, Philadelphia, Pennsylvania.

Respondent, A.G. Edwards & Sons, Inc. ("A.G. Edwards") and George Melvin Schwartz, Jr., ("Schwartz"), hereinafter collectively referred to as "Respondents", were represented by Jeffrey W. Coverdell, Esq., A.G. Edwards & Sons, Inc., St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on July 8, 2003.

Claimant signed the Uniform Submission Agreement individually and as Custodian for Joseph Madres and Brett Madres, UGMA on July 7, 2003.

Statement of Answer filed by Respondents on September 26, 2003.

A representative of Respondent A.G. Edwards executed the Uniform Submission Agreement on August 15, 2003.

Respondent Schwartz signed the Uniform Submission Agreement on August 26, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: unauthorized trading, excessive trading, suitability and misrepresentation in regard to stock transactions in his accounts at A.G. Edwards. The causes of action relate to unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: Claimant controlled the non-discretionary account and he sought to trade more and more aggressively over the course of time; Claimant monitored financial news, researched individual stocks, opened margin and options accounts and sought to day-trade in his accounts; Claimant understood the risks regarding and authorized each and every transaction in his accounts; Claimant received clear written confirmation of each transaction and monthly statements evidencing his trades and

positions; and Claimant assumed the risks involved in his trading activity, and did not notify Respondents of any unauthorized or unsuitable trades in his accounts.

RELIEF REQUESTED

Claimant requested the following damages:

Compensatory Damages	\$ 90,000.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified
Other Monetary Relief	amount unspecified

Respondents requested dismissal of the Statement of Claim in its entirety, that the costs of this proceeding be assessed against Claimant, and the expungement of Respondent Schwartz's record maintained at the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the Parties fully and finally settled all claims by and between them. Therefore, the Parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have amenablely resolved their differences and have requested this Stipulated Award;
2. The parties have entered into a confidential settlement agreement;
3. Claimant has dismissed all claims with prejudice against Respondents;
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Schwartz' 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 Schwartz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

5. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
6. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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	= \$ 225.00
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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 firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, A.G. Edwards is a party.

Member surcharge	= \$ 1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 1,700.00
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

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

One (1) Pre-hearing session with Panel @ \$ 750	= \$ 750.00
Pre-hearing conference: January 27, 2004 1 session	
Total Forum Fees	= \$ 750.00

1. The Panel has assessed \$ 375.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 375.00 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

Claimant, Larry Madres, Individually and as Custodian for Joseph and Brett Madres, UGMA, is assessed and shall pay:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 600.00
Less payments	= \$ 975.00
Refund owed to Claimant	= \$ 375.00

Respondent, A.G. Edwards, is assessed and shall pay:

Member Fees	= \$ 3,550.00
Total Fees	= \$ 3,550.00
Less payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 00.00

Respondents, A.G. Edwards and Schwartz, are jointly and severally assessed and shall pay:

Forum Fees	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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

ARBITRATION PANEL

Paul J. Greco, Esq.
James J. McCann
Alan M. Schankel

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures

Paul J. Greco

Paul J. Greco, Esq.
Public Arbitrator, Presiding Chairperson

04/04/2005
Signature Date

James J. McCann
Public Arbitrator, Panelist

Signature Date

Alan M. Schankel
Non-Public Arbitrator, Panelist

Signature Date

April 5, 2005
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Paul J. Greco, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

James J. McCann

James J. McCann
Public Arbitrator, Panelist

3/17/05
Signature Date

Alan M. Schankel
Non-Public Arbitrator, Panelist

Signature Date

April 5, 2005
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Concurring Arbitrators' Signatures

Paul J. Greco, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

James I. McCann
Public Arbitrator, Panelist

Signature Date



Alan M. Schankel
Non-Public Arbitrator, Panelist

3/2/05

Signature Date

April 5, 2005

Date of Service (For NASD Dispute Resolution office use only)