

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

William G. Irvine and William G. Irvine SEP IRA, Claimants v. Richard Silverstein and A.G. Edward & Sons, Inc., Respondents

Case Number: 03-07550

Hearing Site: San Francisco, California

Nature of the Dispute: Customers v. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimants:

James Jay Seltzer, Esq.
Law Offices of James Jay Seltzer
Emeryville, California

For Respondents:

Jeffrey W. Coverdell, Esq.
A.G. Edwards & Sons, Inc.
St. Louis, Missouri

CASE INFORMATION

Statement of Claim filed: October 20, 2003

Claimants' Joint Uniform Submission Agreement signed: October 15, 2003

Joint Statement of Answer filed by Respondents: December 15, 2003

Respondent Richard Silverstein's Uniform Submission Agreement signed: November 4, 2003

Respondent A.G. Edward & Sons, Inc.'s Uniform Submission Agreement signed: December 15, 2003

CASE SUMMARY

Claimants alleged violation of securities rules and regulations, negligence, breach of contract, breach of the implied covenant of good faith and fair dealing, breach of fiduciary duty, and common law fraud. Claimants' allegations involved various stocks, mutual funds, and options. Claimants' allegations also involved trading on margin.

Respondents denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested unspecified compensatory damages, punitive damages, treble damages, pre-judgment interest, and costs, including attorney's fees.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, expungement of all references to this matter from Respondent Richard Silverstein's CRD records, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On June 8, 2004, Claimants and Claimants' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimants shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On August 24, 2005, Claimants advised NASD that the parties in this matter reached a settlement and that a proposed Stipulated Award would be submitted. On December 16, 2005, the parties submitted a Joint Request to Approve a Stipulated Award that included a recommendation expunging all reference to this matter from Respondent Richard Silverstein's CRD records. On January 3, 2006, the Panel requested further written and oral support for expungement. On February 6, 2006, Respondents submitted a brief in support of the stipulated expungement. On March 3, 2006, the Panel held a conference call with the parties on this issue. At the conclusion of the conference call, Respondents requested the opportunity to provide further support for expungement if the Panel was inclined to deny the expungement request. After due deliberation, the Panel granted Respondents' request to provide further support and asked that briefs presenting evidence in support of expungement be submitted. On March 23, 2006, Respondents submitted a supplemental brief and exhibit book. On April 11, 2006, the Panel held a final conference call on expungement in which Respondent Richard Silverstein testified. After considering the briefs, exhibits, and testimony presented, the Panel, in executive session, decided, by majority vote, to grant the parties' request for a Stipulated Award recommending expungement. The Panel denied Respondents' request that the forum fee for the April 11, 2006, conference call be waived.

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

- 1) The parties have entered into a confidential settlement agreement.
- 2) The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Richard Silverstein's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Richard Silverstein must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 250.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm A.G. Edward & Sons, Inc., is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,200.00</u>
Total Member Fees	= \$ 4,450.00

Forum Fees and Assessments

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion decided on the papers. 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:

Three (3) Pre-hearing conference sessions with the Panel @ \$1,000.00/session = \$ 3,000.00
Pre-hearing conferences: November 16, 2004 1 session
March 3, 2006 1 session
April 11, 2006 1 session

Total Forum Fees = \$ 3,000.00

1. The Panel assessed \$1,000.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$2,000.00 of the forum fees jointly and severally to Respondents

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 250.00
<u>Forum Fees</u>	<u>= \$ 1,000.00</u>
Total Fees	= \$ 1,250.00
<u>Less payments</u>	<u>= \$(1,250.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
2. Respondent A.G. Edward & Sons, Inc., is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
<u>Less payments</u>	<u>= \$(4,450.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents Richard Silverstein and A.G. Edward & Sons, Inc., are charged jointly and severally with the following fees and costs:

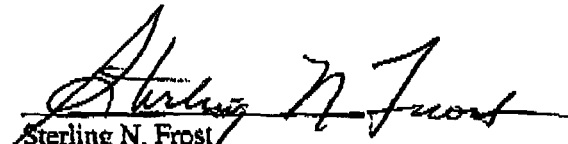
Forum Fees	= \$ 2,000.00
<u>Less payments</u>	<u>= \$ (0.00)</u>
Balance Due NASD Dispute Resolution	= \$ 2,000.00

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

ARBITRATION PANEL

Sterling N. Frost	-	Public Arbitrator, Presiding Chair
Peter H. Daly	-	Public Arbitrator
Rudy E. Thorwirth	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Sterling N. Frost
Chair, Public Arbitrator

4/14/06
Signature Date

Peter H. Daly
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

Rudy E. Thorwirth
Non-Public Arbitrator

Signature Date

4/17/06
Date of Service
(NASD Use Only)

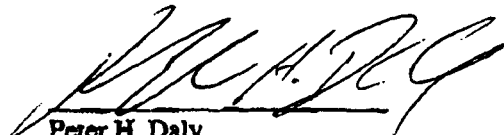
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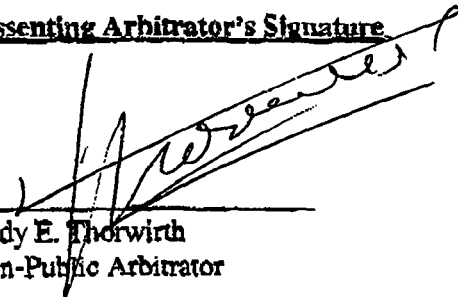
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Chair, Public Arbitrator

Signature Date

Peter H. Daly
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature



Rudy E. Thorwirth
Non-Public Arbitrator

April 13, 2006
Signature Date

4/17/06
Date of Service
(NASD Use Only)