
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Terry L. Jenkins
Sheila Rena Jenkins

Case Number: 04-00441

Names of the Respondents

A.G. Edwards & Sons, Inc.
Hance W. McKenzie

Hearing Site: Memphis, TN

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

REPRESENTATION OF PARTIES

For Terry L. Jenkins and Sheila Rena Jenkins, hereinafter collectively referred to as "Claimants": Cynthia H. Speetjens, Esq., Jackson, MS, Jesse M. Harrington, Esq. and Martin E. Willoughby, Jr., Esq., Harrington & Willoughby, PLLC, Madison, MS, and Judson M. Lee, Esq., Jackson, MS.

For A.G. Edwards & Sons, Inc. ("AGE") and Hance W. McKenzie ("McKenzie"), hereinafter collectively referred to as "Respondents": Jeffrey J. Kalinowski, Esq., Blackwell Sanders Peper Martin, LLP, St. Louis, MO.

CASE INFORMATION

Statement of Claim filed on or about: January 23, 2004.

Claimants signed the Uniform Submission Agreement: January 21, 2004.

Motion to Dismiss, Answer and Motion for More Definite Statement of Claim ("Motion to Dismiss") filed by Respondents on or about: March 16, 2004.

Respondent AGE signed but did not date the Uniform Submission Agreement.

Respondent McKenzie signed the Uniform Submission Agreement: March 4, 2004.

Claimants' Response to Respondents' Motion to Dismiss filed on or about: July 30, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; negligence; breach of NASD and NYSE rules; breach of contract; violation of Mississippi Securities Act and Rules; common law fraud and misrepresentation; and, failure to supervise. The causes of action relate to the purchase of WorldCom, Mobile Telecommunications Tech, Dell, and Friede Goldman Halter stock in Claimants' accounts.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of \$950,000.00, recovery of taxes and penalties, costs, attorneys' fees, pre- and post-judgment interest, punitive damages, and other such relief as the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested dismissal of the Statement of Claim, that costs of this proceeding be assessed against Claimants, expungement of this matter from Respondent McKenzie's NASD Central Registration Depository ("CRD") records, and such other relief deemed just and proper under the circumstances.

OTHER ISSUES CONSIDERED AND DECIDED

During the evidentiary hearing, Respondents reasserted their Motion to Dismiss. The Panel deferred ruling until the hearings concluded. Thereafter, in lieu of ruling on Respondents' motion, the Panel made a decision on the merits.

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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel finds in favor of the Respondents; claims are dismissed, with prejudice.

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent McKenzie's registration records maintained by the NASD CRD based on the defamatory nature of the information in the CRD system, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent McKenzie must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

Any and all claims for relief not specifically addressed herein, including Claimants' requests for attorneys' fees and punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent AGE is a member firm and a party.

Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$4,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were assessed during these proceedings.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were assessed during these proceedings.

Forum Fees and Assessments

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 the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: July 9, 2004 1 session	
Four (4) Hearing sessions with the Panel @ \$1,200.00/session	= \$4,800.00
Hearing Dates: April 19, 2005 2 sessions	
April 20, 2005 2 sessions	
Total Forum Fees	= \$6,000.00

The Panel assessed the total forum fees of \$6,000.00 jointly and severally to Claimants.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	<u>= \$6,000.00</u>
Total Fees	= \$6,375.00
<u>Less payments</u>	<u>= \$1,575.00</u>
Balance Due NASD Dispute Resolution	= \$4,800.00

Respondent AGE is solely liable for:

Member Fees	= \$4,750.00
<u>Forum Fees</u>	<u>= \$ 0.00</u>
Total Fees	= \$4,750.00
<u>Less payments</u>	<u>= \$4,750.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Robert J. Warner, Jr., LLB	-	Public Arbitrator, Presiding Chairperson
Gloria Liddell, Esq.	-	Public Arbitrator
Patricia D. Hester	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Robert J. Warner, Jr., LLB
Public Arbitrator, Presiding Chairperson

April 26, 2005
Signature Date

/s/
Gloria Liddell, Esq.
Public Arbitrator

April 26, 2005
Signature Date

/s/
Patricia D. Hester
Non-Public Arbitrator

April 26, 2005
Signature Date

April 27, 2005
Date of Service (For NASD Dispute Resolution use only)

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$6,000.00
Total Fees	= \$6,375.00
Less payments	= \$1,575.00
Balance Due NASD Dispute Resolution	= \$4,800.00

Respondent AGE is solely liable for:

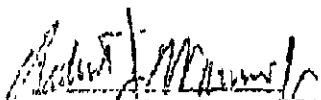
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Concurring Arbitrators' Signatures


Robert J. Warner, Jr., LLB
Public Arbitrator, Presiding Chairperson

4/26/05
Signature Date

Gloria Liddell, Esq.
Public Arbitrator

Signature Date

Patricia D. Hester
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

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Forum Fees	= \$ 0.00
Total Fees	= \$4,750.00
Less payments	= \$4,750.00
Balance Due NASD Dispute Resolution	= \$ 0.00

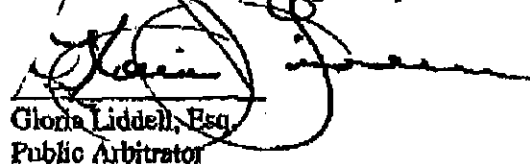
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Patricia D. Hester	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Robert J. Warner, Jr., LL.B.
Public Arbitrator, Presiding Chairperson


Gloria Liddell, Esq.
Public Arbitrator

Signature Date

04/26/05

Signature Date

Patricia D. Hester
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

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Arbitration No. 04-00441
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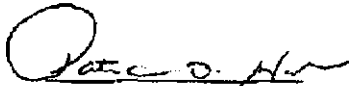
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Robert J. Warner, Jr., LLB
Public Arbitrator, Presiding Chairperson

Signature Date

Gloria Liddell, Esq.
Public Arbitrator

Signature Date


Patricia D. Hester
Non-Public Arbitrator

4-26-05
Signature Date

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