

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Stephen Rosenbaum and Martha Rosenbaum (Claimants) v. A.G. Edwards & Sons, Inc. and
Kenneth Hansen (Respondents)

Case Number: 04-01603

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimants Stephen Rosenbaum ("S. Rosenbaum") and Martha Rosenbaum ("M. Rosenbaum") hereinafter collectively referred to as "Claimants": Robin E. Nackman, Esq., Smithtown, NY.

Respondents A.G. Edwards & Sons, Inc. ("AGE") and Kenneth Hansen ("Hansen") hereinafter collectively referred to as "Respondents": M. Jane Matoesian, Esq., A.G. Edwards & Sons, Inc., St. Louis, MO.

CASE INFORMATION

Statement of Claim filed on or about: February 26, 2004.

Claimants signed the Uniform Submission Agreement: January 12, 2004.

Joint Statement of Answer filed by Respondents on or about: May 10, 2004.

Joint Amended Answer filed by Respondents on or about: May 14, 2004.

Respondent AGE signed the Uniform Submission Agreement: March 17, 2004.

Respondent Hansen signed the Uniform Submission Agreement: March 29, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: (1) recommendation of unsuitable investments and aggressive asset allocation; (2) no adequate supervision and compliance review of the accounts; (3) continuing misleading statements and omissions; (4) additional liability based upon B Fund fraud; (5) violations of Section 20 of the Securities Exchange Act of 1934; and (6) violation of state and federal securities laws, state consumer protection, industry rules and express and implied contractual duties. The causes of action relate to various mutual funds.

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

RELIEF REQUESTED

Claimants requested that the arbitrators make a fair and appropriate award in excess of \$100,000.00, including losses, restitution and/or disgorgement of profits, pre-judgment interest at the legal rate, costs of the arbitration, and attorney fees, expert fees and other disbursements and costs necessary to bring the action as permitted by the NASD Code, the Consumer Protection Laws, or any other applicable law or equitable doctrine.

Respondents requested the Panel: (1) dismiss the Statement of Claim in its entirety; (2) award the costs and expenses incurred in defending the Statement of Claim, including reasonable attorney fees; (3) order that all references to this claim be expunged from Respondent Hansen's permanent records with the Central Registration Depository ("CRD"); and (4) award to Respondents all other relief deemed proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 20, 2005, the parties informed NASD Dispute Resolution that they had entered into a settlement agreement.

On or about February 1, 2005, the parties filed with NASD Dispute Resolution a joint motion to approve this Stipulated Award and that the undersigned arbitrators enter an Order expunging all references to this case from the CRD records of Respondent Hansen.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. All claims against Respondents are hereby dismissed.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Kenneth Hansen'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 Kenneth Hansen must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. With the exception of any fees and costs associated with the Order of expungement

referenced above, which Respondent AGE has agreed to bear, all parties shall bear their respective costs, including attorney fees.

4. Any and all relief not specifically addressed herein is denied.

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 firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, A.G. Edwards & Sons, Inc. 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

Adjournment Fees

The following adjournment fees are assessed:

January 4-6, 2005, joint adjournment request	= Waived
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Forum Fees and Assessments

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

One (1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$750.00
Pre-hearing conference: July 21, 2004 1 session	
Total Forum Fees	= \$750.00

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

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 600.00
Less payments	= \$1,425.00
Refund Due Claimant	= \$ 825.00

2. Respondent AGE is solely liable for:

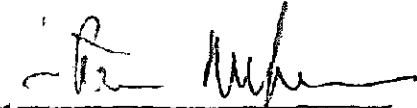
Member Fees	= \$3,550.00
Total Fees	= \$3,550.00
Less payments	= \$6,975.00
Refund Due Respondent AGE	= \$3,425.00

3. Respondents are jointly and severally liable for:

Forum Fees	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 375.00
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are due and payable to NASD Dispute Resolution

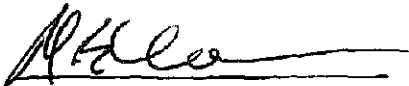
Parties' Signatures



Stephen Rosenbaum
Claimant

March 7, 05

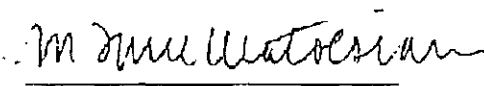
Signature Date



Martha Rosenbaum
Claimant

March 7th 05

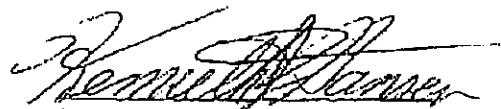
Signature Date



A.G. Edwards & Sons, Inc.
Respondent

2/14/05

Signature Date



Kenneth Hansen
Respondent

2/22/05

Signature Date

ARBITRATION PANEL

Deborah Sherman, Esq.	-	Public Arbitrator, Presiding Chair
Jerome H. Levy	-	Public Arbitrator
Kenneth F. Leder	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.



Deborah Sherman, Esq.
Public Arbitrator, Presiding Chair

4/20/05
Signature Date

Jerome H. Levy
Public Arbitrator

Signature Date

Kenneth F. Leder
Non-Public Arbitrator

Signature Date

April 26, 2005

Date of Service (For NASD office use only)

ARBITRATION PANEL

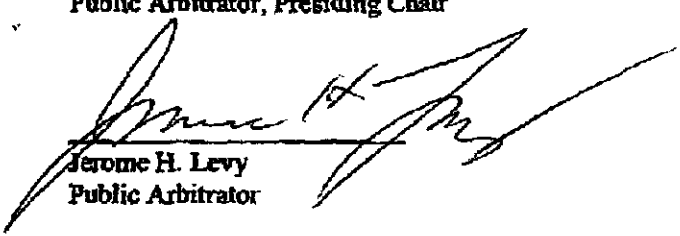
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Deborah Sherman, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Jerome H. Levy
Public Arbitrator

Signature Date

Kenneth F. Leder
Non-Public Arbitrator

Signature Date

April 26, 2005
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Deborah Sherman, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Jerome H. Levy
Public Arbitrator

Signature Date



Kenneth F. Leder
Non-Public Arbitrator

4/19/05

Signature Date

April 26, 2005

Date of Service (For NASD office use only)