
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

George W. Gibson and Jo Lynn Gibson as
individuals and George W. Gibson IRA

Case Number: 04-05088

Names of the Respondents

Edward D. Jones & Co., L.P.
Charles E. Cloud

Hearing Site: Memphis, TN

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

REPRESENTATION OF PARTIES

For George W. Gibson and Jo Lynn Gibson as individuals and George W. Gibson IRA, hereinafter collectively referred to as "Claimants": W. Martin Seiler, Esq., Memphis, TN.

For Edward D. Jones & Co., L.P. ("Jones") and Charles E. Cloud ("Cloud"), hereinafter collectively referred to as "Respondents": Clinton J. Simpson, Esq. and Mark D. Griffin, Esq., Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C., Memphis, TN.

CASE INFORMATION

Statement of Claim filed on or about: July 15, 2004.

Claimants signed the Uniform Submission Agreement: June 28, 2004.

Statement of Answer filed by Respondents on or about: September 7, 2004.

Respondent Jones signed the Uniform Submission Agreement: July 26, 2004.

Respondent Cloud signed the Uniform Submission Agreement: September 14, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract; negligence; fraud; suitability; Tennessee common law fraud; violation of the Tennessee Securities Act of 1980; and, breach of fiduciary duty. The causes of action relate to the purchase of unspecified shares of stock and debt instruments and Goldman Sachs, American Funds, Federated, Putnam Investments, Van Kampen, The Hartford, and Lord Abbett mutual funds 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 \$51,625.00 and punitive damages of \$103,250.00 paid to Claimants' attorney's trust fund, in addition to costs, interest, and attorney's fees.

Respondents requested dismissal of the Statement of Claim, attorneys' fees, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

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 undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Claimants' Statement of Claim is dismissed, with prejudice.

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Cloud's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Cloud must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The charges against Respondent Cloud are to be expunged because the registered person was not involved in the alleged investment-related sales practice violation.

Any and all claims for relief not specifically addressed herein, including Claimants' request for 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 Jones is a member firm and a party.

Member Surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee	= \$2,750.00
Total Member Fees	= \$5,200.00

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 a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: May 4, 2005	1 session

One (1) Pre-hearing session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference: December 14, 2004	1 session

Four (4) Hearing sessions with the Panel @ \$1,125.00/session	= \$4,500.00
Hearing Dates: May 9, 2005	2 sessions
May 10, 2005	2 sessions

Total Forum Fees	= \$6,075.00
------------------	--------------

The Panel assessed forum fees of \$1,125.00 jointly and severally to Claimants.

The Panel assessed forum fees of \$4,950.00 to Respondent Jones.

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	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Jones is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,950.00
Total Fees	= \$10,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,950.00

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

ARBITRATION PANEL

Fred M. Acuff, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Lawrence W. Kern, Esq.	-	Public Arbitrator
William Stephen Lee	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Fred M. Acuff, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Lawrence W. Kern, Esq.
Public Arbitrator

Signature Date

/s/
William Stephen Lee
Non-Public Arbitrator

Signature Date

May 12, 2005
Date of Service (For NASD Dispute Resolution use only)

MAY. 12. 2005 2:48PM NASD BOCA RATON

NO. 387 P. 5

NASD Dispute Resolution

Arbitration No. 04-05088

Award Page 4 of 4

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Jones is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,950.00
Total Fees	= \$10,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,950.00

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

ARBITRATION PANEL

Fred M. Acuff, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Lawrence W. Kern, Esq.	-	Public Arbitrator
William Stephen Lee	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Fred M. Acuff, Jr.
Fred M. Acuff, Jr., Esq.
Public Arbitrator, Presiding Chairperson

5-12-05
Signature Date

Lawrence W. Kern, Esq.
Lawrence W. Kern, Esq.
Public Arbitrator

Signature Date

William Stephen Lee
William Stephen Lee
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

NASD Dispute Resolution
Arbitration No. 04-05088
Award Page 4 of 4

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Jones is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,950.00
Total Fees	= \$10,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,950.00

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

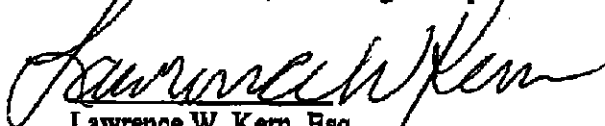
ARBITRATION PANEL

Fred M. Acuff, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Lawrence W. Kern, Esq.	-	Public Arbitrator
William Stephen Lee	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Fred M. Acuff, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Lawrence W. Kern, Esq.
Public Arbitrator

5/12/05
Signature Date

William Stephen Lee
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

NASD Dispute Resolution
Arbitration No. 04-05088
Award Page 4 of 4

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Jones is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,950.00
Total Fees	= \$10,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,950.00

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

ARBITRATION PANEL

Fred M. Acuff, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Lawrence W. Kern, Esq.	-	Public Arbitrator
William Stephen Lee	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Fred M. Acuff, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Lawrence W. Kern, Esq.
Public Arbitrator

Signature Date


William Stephen Lee
Non-Public Arbitrator

5/12/05
Signature Date

Date of Service (For NASD Dispute Resolution use only)