

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Margaret J. Smith Living Trust and Charles R. Smith IRA (Claimants) v. Edward Jones
(Respondent)

Case Number: 04-05350

Hearing Site: Cincinnati, Ohio

Nature of the Dispute: Customers vs. Member.

REPRESENTATION OF PARTIES

Claimants Margaret J. Smith Living Trust ("Smith Trust") and Charles R. Smith IRA ("Smith IRA") hereinafter collectively referred to as "Claimants": David P. Meyer, Esq., David P. Meyer & Associates, L.P.A., Columbus, OH.

Respondent Edward Jones a/k/a Edward D. Jones & Co. ("Edward Jones") hereinafter referred to as "Respondent": Dennis K. Egan, Esq., Butzel Long, Bloomfield Hills, MI.

CASE INFORMATION

Statement of Claim filed on or about: July 22, 2004.

Claimants signed the Uniform Submission Agreement: June 22, 2004.

Statement of Answer filed by Respondent on or about: November 10, 2004.

Respondent signed the Uniform Submission Agreement: August 30, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: suitability; breach of fiduciary duty; and negligence. The causes of action relate to a Flexible Premium Variable Life Insurance Policy.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$49,924.00; disgorgement of all profits and commissions earned; recovery of out-of-pocket losses; exemplary and punitive damages; costs, including expert fees, attorneys' fees, and all forum fees; and such other and any

further relief as the Panel deems just, proper, and equitable.

Respondent requested that Claimants' claims be dismissed.

AWARD

After considering the pleadings, and the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$175.00

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. Accordingly, Edward D. Jones & Co. is a party.

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,000.00

Forum Fees and Assessments

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

One (1) Pre-hearing session with the sole Arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: December 13, 2004 1 session	

Four (4) Hearing sessions @ \$450.00	= \$1,800.00
Hearing Dates: March 22, 2005 2 sessions	
March 23, 2005 2 sessions	

Total Forum Fees	= \$2,250.00
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1. The Arbitrator has assessed \$2,250.00 of the forum fees jointly and severally against Claimants.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 175.00
<u>Forum Fees</u>	= <u>\$2,250.00</u>
Total Fees	= \$2,425.00
<u>Less payments</u>	= <u>\$ 625.00</u>
Balance Due NASD Dispute Resolution	= \$1,800.00

2. Respondent is solely liable for:

<u>Member Fees</u>	= <u>\$2,625.00</u>
Total Fees	= \$2,625.00
<u>Less payments</u>	= <u>\$2,625.00</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.

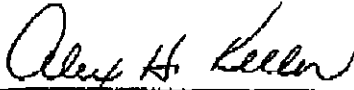
ARBITRATOR

Alex H. Keller

Sole Public Arbitrator

Arbitrator's Signature

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 which is my award.



Alex H. Keller
Sole Public Arbitrator

4-4-05

Signature Date

April 6, 2005

Date of Service (For NASD Dispute Resolution use only)