
**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
D. Gene Meredith

Case Number: 04-08682

Name of the Respondents
Edward D. Jones & Co. and
Rick L. Duncan

Hearing Site: St. Louis, Missouri

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

REPRESENTATION OF PARTIES

D. Gene Meredith ("Meredith") hereinafter referred to as "Claimant": Steven Koslovsky, Esq. of Maryland Heights, Missouri.

Edward D. Jones & Co. ("EDJ") and Rick L. Duncan ("Duncan"), hereinafter collectively referred to as "Respondents": Trae D. Meyer, Esq. of Greensfelder, Hemker & Gale, located in St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about December 28, 2004.

Claimant signed the Uniform Submission Agreement on December 9, 2004.

Statement of Answer filed by Respondents, EDJ and Duncan, on or about January 26, 2005.

Respondent EDJ signed the Uniform Submission Agreement on January 3, 2005.

Respondent Duncan signed the Uniform Submission Agreement on February 28, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty, suitability and failure to supervise. The causes of action relate to stocks in Worldcom and Union Planters Bank. Claimant asserted that these investments were unsuitable and aggressive, and did not meet his investment needs or objective for proper diversification.

Unless specifically admitted in its Answer, Respondents EDJ and Duncan denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Claimant ratified all transactions that took place in the account with Edward Jones and therefore, Claimant is barred from recovering any alleged loss resulting from such transactions.

2. To the extent that Claimant has suffered any damages, they are the product of the negligent conduct of Claimant or others such that some or all of Claimant's recovery is barred by those contributory or comparative negligent acts.
3. Claimant failed to mitigate his alleged damages and therefore, is barred from recovering any damages to the extent that such damages could have been prevented had Claimant fulfilled his duty to mitigate.
4. The Statement of Claim is barred by the doctrine of waiver.
5. The Statement of Claim is barred by the doctrine of estoppel.
6. Claimant's failure to supervise claim should be dismissed because EDJ had adequate supervisory mechanisms and safeguards in place and, at all times relevant herein, EDJ acted in accordance with these procedures.
7. To the extent a fiduciary relationship exists, which Respondents deny, it is extremely limited and does not extend beyond the execution of a particular transaction. Thus, any claims based on a continuing fiduciary duty should be dismissed.

RELIEF REQUESTED

Claimant Meredith requested \$25,000.00 in compensatory damages; plus interest and costs.

Respondents, EDJ and Duncan, requested dismissal of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

At the close of Claimant's case during the hearing, Respondents moved to dismiss the claim of failure to supervise. Based on evidence presented, the Arbitrator granted Respondents' motion and dismissed the claim for failure to supervise.

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, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Edward D. Jones & Co. and Rick L. Duncan, are jointly and severally liable for and shall pay to Claimant, D. Gene Meredith, the sum of \$25,830.95 as compensatory damages, plus interest at the rate of 9.00% per annum to accrue from the date the Award is served until the date the award is paid in full.
2. Except as otherwise specified herein, parties shall bear their own costs, including attorneys' fees.
3. 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 = \$ 125.00

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 to this proceeding.

Member surcharge = \$ 425.00

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 a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: April 29, 2005 1 session

Two (1) Hearing sessions @ \$450.00 = \$ 900.00

Hearing Date: October 19, 2005 2 sessions

Total Forum Fees = \$1,350.00

The Arbitrator assessed 100% of the total forum fees in the amount of \$1,350.00 jointly and severally to Respondents Edward D. Jones & Co. and Rick L. Duncan.

EEE SUMMARY

1. Claimant, D. Gene Meredith, is solely liable for:

Initial Filing Fee = \$ 125.00

Less payments = \$ 575.00

Refund Due from NASD Dispute Resolution = \$ 450.00

2. Respondent, Edward D. Jones & Co. is solely liable for:

Member Fees = \$ 425.00

Less payments = \$ 425.00

Balance Due NASD Dispute Resolution = \$ 0.00

3. Respondents, Edward D. Jones & Co. and Rick L. Duncan, are jointly and severally liable for:

Forum fees = \$1,350.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution = \$1,350.00

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

ARBITRATION PANEL

Arthur L. Smith, Esq.

Public Arbitrator, Presiding Chairperson

Concurring Arbitrators' Signature

/s/ Arthur L. Smith, Esq.

Arthur L. Smith, Esq.

Public Arbitrator, Presiding Chairperson

11/2/05

Signature Date

11/2/05

Date of Service (For NASD Dispute Resolution office use only)

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NASD Dispute Resolution
Arbitration No. 04-08582
Award Page 4 of 4

ARBITRATION PANEL

Arthur L. Smith, Esq.

Public Arbitrator, Presiding Chairperson

Concurring Arbitrators' Signature


Arthur L. Smith, Esq.

Public Arbitrator, Presiding Chairperson

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