

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

David T. Barenbrugge, Theresa E. Barenbrugge, David Barenbrugge IRA and Theresa Barenbrugge IRA, Claimants v. A.G. Edwards & Sons, Inc. and Bart Martinez, Respondents

Case Number: 05-01358

Hearing Site: San Diego, California

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

REPRESENTATION OF PARTIES

For Claimants:

Arthur S. Leider
Investors Arbitration Specialists, Inc.
San Diego, California

For Respondents:

Dennis J. Capriglione, Esq.
A.G. Edwards & Sons, Inc.
St. Louis, Missouri

CASE INFORMATION

Statement of Claim filed: March 15, 2005

Claimants' Joint Uniform Submission Agreement signed: March 23, 2005

Joint Statement of Answer filed by Respondents: May 13, 2005

Respondent A.G. Edwards & Sons, Inc.'s Uniform Submission Agreement signed:
April 12, 2005

Respondent Bart Martinez's Uniform Submission Agreement signed: April 25, 2005

CASE SUMMARY

Claimants alleged breach of fiduciary duty in violation of California Civil Code § 2322 (c), negligence, constructive fraud, and violation of Federal and State Securities Laws and NASD Rules of Fair Practice. Claimants' allegations involved transactions of unspecified technology and telecommunications stocks and unit investment trusts.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in the sum of approximately \$180,000.00, punitive or exemplary damages of at least \$300,000.00, pre- and post-judgment interest and costs, including attorney's fees, filing fees, hearing fees and expert witness costs.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety and an Order finding that the claims were factually impossible and ordering Respondent Bart Martinez's permanent records with respect to this matter be expunged.

OTHER ISSUES CONSIDERED AND DECIDED

On March 12, 2005, Claimants and Claimants' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimants shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

By notice dated January 26, 2006, Claimants advised NASD Dispute Resolution that the parties agreed to settlement and that as a term of the agreement, Respondent A.G. Edwards & Sons, Inc. agreed to pay all forum fees relating to this matter. The parties also requested the Panel hear Respondent Bart Martinez's request for expungement in accordance with Rule 2130 of the *NASD Code of Arbitration Procedure* ("Code").

By notice dated January 27, 2006, Claimants dismissed with prejudice all claims against Respondent Bart Martinez.

On January 31, 2006, the Panel held a telephonic pre-hearing conference with the parties to hear the joint request to expunge the permanent records of Respondent Bart Martinez. After due deliberation, the Panel granted the parties' joint request for expungement and to enter a Stipulated Award.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings, testimony, and the parties' request for this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel acknowledges the parties' settlement agreement.
2. Claimants' claims are dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Bart Martinez's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Bart Martinez 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, the arbitration panel has made the following affirmative findings of fact: The claim, allegation, or information is false.

4. The parties shall bear their respective costs, including attorney's fees.
5. All other relief requested and not expressly granted, including Claimants' request for punitive or exemplary damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm A.G. Edwards & Sons, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

Three-Day Cancellation Fees

Three-day cancellation fees apply when a hearing on the merits is postponed or settled within three business days before the start of the first scheduled hearing session. The following three-day cancellation fees are assessed:

Cancellation of January 31, 2006 and February 1-2, 2006 hearings dates: = \$ 300.00

The parties agreed that \$300.00 of the Three-Day Cancellation Fee is assessed to Respondent A.G. Edwards & Sons, Inc.

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

Two (2) Pre-hearing conference sessions with the Panel @ \$1,125.00/session = \$ 2,250.00

Pre-hearing conferences:	July 1, 2005	1 session
	January 31, 2006	1 session

Total Forum Fees = \$ 2,250.00

The parties agreed that \$2,250.00 of the Forum Fees is assessed to Respondent A.G. Edwards & Sons, Inc.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Retained Deposit pursuant to Rule 10332(f)	= \$ 1,125.00
<u>Less payments</u>	<u>= \$(1,425.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent A.G. Edwards & Sons, Inc. is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Three-Day Cancellation Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 2,250.00</u>
Total Fees	= \$ 7,750.00
<u>Less payments</u>	<u>= \$(5,200.00)</u>
Balance Due NASD Dispute Resolution	= \$ 2,550.00

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

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ARBITRATION PANEL

Jon C. Milliken	-	Public Arbitrator, Presiding Chair
Deanna Margaret Veitia	-	Public Arbitrator
Gunnar Thowsen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jon C. Milliken
Chair, Public Arbitrator

3/20/2006
Signature Date

Deanna Margaret Veitia
Public Arbitrator

Signature Date

Gunnar Thowsen
Non-Public Arbitrator

Signature Date

March 20, 2006
Date of Service

ARBITRATION PANEL

Jon C. Milliken	•	Public Arbitrator, Presiding Chair
Deanna Margaret Veltia	-	Public Arbitrator
Gunnar Thowsen	•	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Jon C. Milliken
Chair, Public Arbitrator

Signature Date



Deanna Margaret Veltia
Public Arbitrator

3/18/06

Signature Date

Gunnar Thowsen
Non-Public Arbitrator

Signature Date

March 20, 2006

Date of Service

ARBITRATION PANEL

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Deanna Margaret Veitia	-	Public Arbitrator
Gunnar Thowsen	•	Non-Public Arbitrator

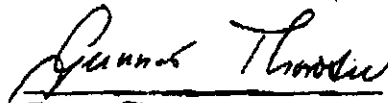
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Jon C. Milliken
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Signature Date

Deanna Margaret Veitia
Public Arbitrator

Signature Date



Gunnar Thowsen
Non-Public Arbitrator

3/20/2006

Signature Date

March 20, 2006

Date of Service