

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

: In the Matter of the Arbitration Between	:	
:	:	
: Richard Hoffman	:	
:	:	
: Claimant	:	CASE #89-00970
:	:	
: vs.	:	AWARD
:	:	
: A.G. Edwards & Sons, Inc.	:	
:	:	
: Respondent	:	
:	:	
:	:	
:	:	

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on March 30, 1989, Claimant Richard Hoffman alleged the Respondent A.G. Edwards & Sons, Inc. did not perform the services it was hired to perform or performed the services in a negligent manner and entered him into investments that were unsuitable for him thereby causing him to sustain losses. The Claimant further alleged he relied on advice given to him by the Respondent and the Respondent failed to adequately research the investments made for him. Respondent A.G. Edwards & Sons, Inc. maintained the Claimant was aware from the outset of the risks of profit and loss associated with investing in securities, and voluntarily assumed such risks and denied that it represented to Claimant that it would assist him in investment decisions by performing research on certain companies and markets. Respondent A.G. Edwards & Sons, Inc. further maintained the damages allegedly suffered by Claimant were caused by unforeseeable market factors and conditions. The Respondent asserted a counterclaim for expenses pursuant to the A.G. Edwards & Sons, Inc. Custodian Account Agreement executed by the Claimant.

RELIEF REQUESTED

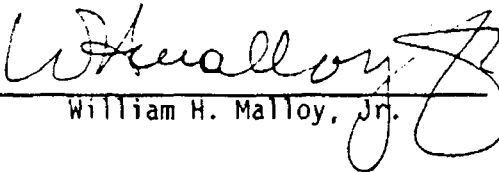
Claimant requested damages of \$76,973.51. Respondent requested dismissal of claim and reimbursement of all expenses incurred, including attorneys' fees, in defending this action.

AWARD

On February 27, 1990 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Richard Hoffman on March 28, 1989 and by Respondent A.G. Edwards & Sons, Inc. on May 12, 1989. The hearing was held at the offices of the National Association of Securities Dealers, Inc. located in Washington, DC and consisted of three (3) hearing sessions. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claim for damages of Seventy Six Thousand Nine Hundred Seventy Three Dollars and Fifty One Cents (\$76,973.51) is denied in its entirety.
2. Respondent A. G. Edwards & Sons, Inc. counterclaim for legal expenses and costs is denied.
3. The parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedures, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant. In addition, the Claimant Richard Hoffman be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of \$500.00 to represent forum fees and the Respondent A. G. Edwards & Sons, Inc. be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of \$500.00 to represent forum fees.


CONCURRING ARBITRATORS



William H. Malloy, Jr.



Marshall Passman



Sidney B. Wachtel

DATED: *March 27*, 1990