



N.A.S.D. AWARD

Arbitration

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants:

Earlie D. Prince, Sr. & Marion Prince

91-00483

Name of Respondents:

A.G. Edwards & Sons, Inc.
Fidel Sanchez

REPRESENTATION

For Claimants: Theodore Sager Meth, Esq. of Meth, Woehling & Freeman.

For Respondents: William Port, Esq., in house counsel for Respondent A.G. Edwards & Sons.

CASE INFORMATION

Claimants filed a Statement of Claim on February 7, 1991 and executed a submission agreement on December 27, 1990.

Respondent A.G. Edwards & Sons, Inc. ("A. G. Edwards") and Respondent Fidel Sanchez ("Sanchez") filed a joint Statement of Answer and Counterclaim on May 8, 1991. Respondent A.G. Edwards executed a submission agreement on May 8, 1991. Respondent Sanchez executed a submission agreement on April 30, 1991.

HEARING INFORMATION

Hearing Date/Sessions: October 2, 1991 — two sessions

Hearing Location: New York, New York.

CASE SUMMARY

Claimants alleged that Respondent Sanchez, the investment broker, engaged in unauthorized trading in their account. They alleged that their conservative portfolio was sold and replaced with a variety of low priced

stocks, puts, calls, and other speculative investments. They further alleged that they paid commissions which were unreasonable and sustained losses which were the direct result of Respondent Sanchez's failure to provide sound advice and Respondent A. G. Edwards's failure to supervise Respondent Sanchez.

Respondents alleged that all of the transactions in Claimants' account were authorized and suitable to meet their stated investment objectives. They further alleged that Claimants received confirmations of each trade as well as monthly statements, and that Respondent A.G. Edwards properly supervised Respondent Sanchez.

RELIEF REQUESTED

Claimants requested \$30,000.00 plus attorney's fees.

Respondents requested dismissal of the claim and also sought recovery on their counterclaim for attorney's fees in excess of \$3,000.00.

AWARD

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

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

1. That Claimants' claims against Respondent A. G. Edwards are dismissed in their entirety;
2. That Claimants' claims against Respondent Sanchez are dismissed in their entirety;
3. That Respondents' counterclaim against Claimants is dismissed in its entirety; and
4. That each side is to bear its own costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, Forum Fees of \$300.00 are assessed. This amount was computed as follows:

\$300.00/session x 2 sessions - \$300.00 hearing session deposit previously
paid by Claimant = \$300.00.

Page Three
Award No. 91-00843

Respondent A.G. Edwards is assessed \$300.00 in forum fees but will receive a \$300.00 credit for payment it previously made to the National Association of Securities Dealers, Inc.

The NASD will retain the \$100.00 nonrefundable claim filing fee previously paid by the Claimants.

Concurring Arbitrator's Signature:

Michael J. Shafley
Michael J. Shafley, Esq.
Public Arbitrator/Chairperson

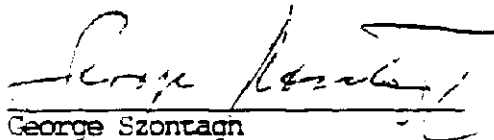
DATED: November 4th, 1991

Page Three
Award No. 91-00843

Respondent A.G. Edwards is assessed \$300.00 in forum fees but will receive a \$300.00 credit for payment it previously made to the National Association of Securities Dealers, Inc.

The NASD will retain the \$100.00 nonrefundable claim filing fee previously paid by the Claimants.

Dissenting as to items 1 and 2 in the "Award" Section on page two, and
Concurring as to all other items.



George Szontagh

Public Arbitrator


DATED: November 4th, 1991

Page Three
Award No. 91-00843

Respondent A.G. Edwards is assessed \$300.00 in forum fees but will receive a \$300.00 credit for payment it previously made to the National Association of Securities Dealers, Inc.

The NASD will retain the \$100.00 nonrefundable claim filing fee previously paid by the Claimants.

Concurring Arbitrator's Signature:



R. Bruce Reymann
Industry Arbitrator

DATED: November 4th, 1991