

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

James R. Petersen

NASD Arbitration
No.93-01152

Name of Respondents

A.G. Edwards & Sons, Inc.
Robert Bagby
Timothy Metcalf
Michael Gates

REPRESENTATION

For Claimant: R. Stephen Bolinger, Esq., Cerritos, California

For Respondent: Jeff Jamieson, Esq., A.G. Edwards & Sons, Inc., St. Louis, Missouri

CASE INFORMATION

Statement of Claim filed: March 24, 1993

Amended Statement of Claim filed: August 9, 1993

Claimant's Submission Agreement signed: March 12, 1993

Joint Statement of Answer and Counterclaim filed: May 26, 1993

Respondents' Submission Agreements signed:

A.G. Edwards: May 24, 1993

Robert Bagby: May 24, 1993

Timothy Metcalf: May 24, 1993

Michael Gates: May 21, 1993

HEARING INFORMATION

Pre-hearing telephone conference dates / sessions:

December 10, 1993 - 1 session

December 20, 1993 - 1 session

January 7, 1993 - 1 session

Hearing Dates / Sessions:

January 19, 1994 - 2 sessions
January 20, 1994 - 2 sessions
January 21, 1994 - 2 sessions
January 25, 1994 - 2 sessions
January 26, 1994 - 2 sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged, as amended pursuant to Order of Phillip J. Cox, Judge, Superior Court of the State of California, County of Orange, dated July 29, 1993, in Case No. 710260, that he was wrongfully terminated from his employment as a registered representative of A.G. Edwards. Claimant also alleged age discrimination; religious discrimination; interference with his existing and prospective contractual relationships; depriving and defrauding him of his rightful present and future retirement funds (401(K)) as well as health care and life insurance benefits, bonuses and stock option benefits; intentional infliction of emotional distress; prejudicing Claimant's ability to defend himself against claims in arbitration and in court; wrongful withholding of Claimant's final paycheck and other monies improperly taken in forced pay-backs and from contributions to a stock purchase plan. Claimant further alleged Respondents breached an agreement to defend him in other litigation by settling the case without his knowledge or approval, and made false and defamatory statements to the California Employment Development Department in an attempt to deprive Claimant of his rightful unemployment benefits.

Respondents denied all the allegations of wrongdoing, and responded that Claimant was an at-will employee who could be terminated without cause at any time. Respondents also asserted that the Statement of Claim failed to state a cause of action upon which relief could be granted, and that Claimant approved the settlement complained of in the Claim.

Respondents asserted a counterclaim for costs and expenses of arbitration.

RELIEF REQUESTED

Claimant requested actual, compensatory and consequential damages of \$4,577,700.00 plus costs of arbitration and attorney's fees.

Respondents requested dismissal of all claims and an award of costs and expenses of arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

These claims were originally filed as part of Case No. 710260, filed in the Superior Court of the State of California, County of Orange. Judge Phillip E. Cox ordered these claims to be removed from that matter and arbitrated before the National Association of Securities Dealers (order dated July 29, 1993).

At hearing, the parties agreed that the official record of the proceedings would be that made by the court reporter retained by Respondents.

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

AWARD

After considering the pleadings, the testimony, the post-hearing submissions 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. All claims asserted by Claimant are dismissed in their entirety, including the 401(k) plan claims. With regard to these claims, the panel determined that an agreement between Claimant and A.G. Edwards already exists to pay Claimant his 40% vested interest in the plan in January, 1995.
2. The counterclaim is dismissed.
3. The parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the NASD shall retain the \$500 non-refundable filing fee previously deposited by Claimant and the \$500 non-refundable counterclaim filing fee paid by Respondents. Forum fees are assessed as follows:

Total fees:		
3 pre-hearing telephone conferences @ \$300 / session	=	\$900.00
10 hearing sessions @ \$1,000 / session	=	\$10,000.00
		<u>\$10,900.00</u>
Claimant is assessed \$1,000.00 for one session	=	\$1,000.00
Credit for deposit	=	<u>\$1,000.00</u>
Balance due	=	<u>\$0.00</u>

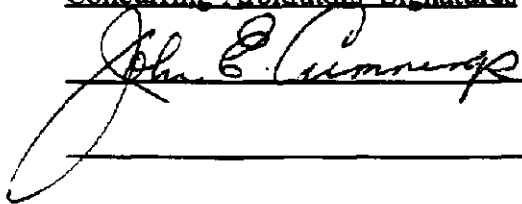
Respondent A. G. Edwards is assessed all remaining forum fees
\$9,900.00

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Diana G. Davis	Public Chairperson
John E. Cummings	Public Panelist
Ruth Graham Glick	Industry Panelist

Concurring Arbitrators' Signatures



Served 3/8/94