

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Steven Weinfeld

93-04258

Name of Respondents

A.G. Edwards & Sons, Inc.
Russell Sayegh

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 18, 1993, Claimant Steven Weinfeld, through his counsel Kenneth C. Gobetz, Esq. of Wichler & Gobetz, P.C., Suffern, NY, alleged that he maintained an account with Respondent A.G. Edwards & Sons, Inc. for the purpose of trading commodities and futures and that he traded in commodities and futures based on the advise of Respondent Russell Sayegh. Claimant further alleged that approximately one month after the first trades were made in his account Respondent Russell Sayegh telephoned Claimant and informed him that Respondent A.G. Edwards & Sons, Inc. had ordered Respondent Russell Sayegh to close down trading of commodities and futures with the next month. The Claimant contended that Respondent Sayegh told him that he should immediately close out all of his positions regardless of the gain potential or losses realized, and alleged further that Respondent Sayegh did not offer to transfer the account to another qualified broker within A.G. Edwards & Sons, Inc. or to another brokerage firm. Claimant Steven Weinfeld further alleged that the abrupt termination of business made transferring the Claimant's account to another broker impossible given the need to find a broker with time and expertise to devote to the Claimant's account. The Claimant contended that Respondent A.G. Edwards & Sons, Inc.'s decision to abruptly terminate Claimant's trading without allowing for a normal wind-down of operations, forced the Claimant to close all of his open positions, resulting in a loss to Claimant, for which the Respondents should be held liable.

Respondents A.G. Edwards & Sons, Inc. and Russell Sayegh, through their in-house counsel Jeff Jamieson, Esq., St. Louis, MO, maintained that Respondent A.G. Edwards & Sons, Inc. was within its contractual right in ceasing to accept orders from Claimant. Respondents further maintained that Claimant could have transferred his account to any other brokerage firm that

trades commodities, but he instead made a conscious decision not to transfer, and further made a conscious decision to close his positions. The Respondents further maintained that damages allegedly suffered by Claimant were caused, if at all, by unforeseeable market factors and conditions affecting the value of securities in Claimant's account, for which Respondents are not liable or responsible.

RELIEF REQUESTED

Claimant Steven Weinfeld requested an award for actual damages in the amount of \$3,572.75, plus attorney's fees, interest and other costs.

Respondents A.G. Edwards & Sons, Inc. and Russell Sayegh requested that the Claimant's claim be denied in its entirety.

AWARD

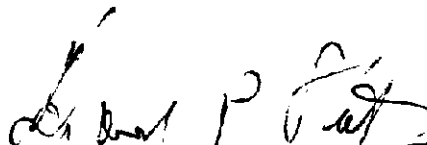
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, David P. Slater, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 11, 1993 and by the Respondent on November 29, 1993.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant Steven Weinfeld against Respondents A.G. Edwards & Sons, Inc. and Russell Sayegh are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Steven Weinfeld shall be retained by the NASD, Inc.

AFFIRMATION

I, **DAVID P. SLATER, ESQ.**, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator


DATE OF DECISION: May 5, 1994

STATE OF: NY

SS:

COUNTY OF: NY

On this 5 day of April 19 94, before me personally appeared **David P. Slater, Esq.**, to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



JAMES FORDE
Notary Public, State of New York
No. 31-4835087
Qualified in New York County
Commission Expires December 31, 1994