

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Joseph A. Greenberg

93-04353

Name of Respondent

A.G. Edwards & Sons, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 21, 1993, Claimant Joseph H. Greenberg, who appeared Pro Se, alleged that Respondent A.G. Edwards & Sons, Inc. acted in bad faith when they imposed a restriction on his ability to purchase 4,000 shares of Comptronix stock at market price. Claimant further alleged that he was told by his broker on December 12, 1992 that his manager would not allow the purchase to go through, and further alleged that when he called Respondent's office in St. Louis, MO it was explained that there existed a "volatile situation" regarding the stock and that purchase of this particular issue would only be allowed for accounts that had sufficient funds to cover the purchase. Claimant contended that he had never known this to be a policy, and that after his conversation with the St. Louis office of the Respondent, his purchase was allowed to go through at 5 1/4. Claimant also contended that the delay in placing the order cost him \$2,500.00, and that the Respondent should be held liable for the damages he has suffered.

Respondent A.G. Edwards & Sons, Inc., through their in-house litigation counsel, Jeff Jamieson, Esq., St. Louis, MO, maintained that it denied each and every allegation contained in Claimant's Statement of Claim. Respondent further maintained it was within its contractual rights as set forth in their Customer Agreement with Claimant Joseph H. Greenberg. Respondent maintained that the security in question was on Edwards restricted list and as such any customer of Edwards who, on an unsolicited basis, expressed an interest in purchasing Comptronix, was required to receive the approval of Edwards' Margin Department before the trade was allowed to be entered, and further that part of the approval required a finding by the Margin Department that funds were in the account to cover the trade prior to the execution of the trade. Respondent A.G. Edwards & Sons, Inc. maintained that these requirements were disclosed to Claimant Greenberg and that he agreed to abide by them when he executed the Customer

Agreement. The Respondent contended that it in fact altered the Customer Agreement by allowing the sale of the stock to go through, and that contrary to the Claimant's allegations, the purchase took place December 16, 1992 and not December 12, 1992 and the market price was 5 1/8, not 5 1/4 (confirmation statements were submitted by Respondent).

RELIEF REQUESTED

Claimant Joseph H. Greenberg requests that he be awarded \$2,500.00 in actual damages, plus treble damages, and interest.

Respondent A.G. Edwards & Sons, Inc. requests that Claimant's claim be dismissed and that Respondent be awarded reasonable costs and expenses incurred in defending this matter.

AWARD

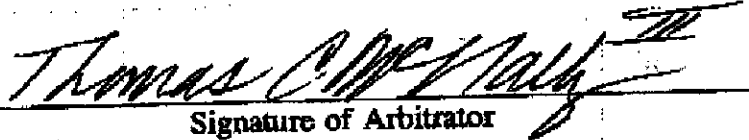
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Thomas C. McNally, III, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 10, 1993 and by the Respondent on February 7, 1994.

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. Respondent A.G. Edwards & Sons, Inc. is liable and shall pay to the Claimant Joseph H. Greenberg the sum of \$1,000.00 in actual damages, plus interest at the rate of 7% per annum from December 23, 1992 to the date of payment of the award.
2. The Claimant's request for treble damages is denied.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent A.G. Edwards & Sons, Inc. is liable and shall pay to the Claimant \$150.00, as reimbursement for the filing fee.

AFFIRMATION

I, ^{TCN} **THOMAS N. MCNALLY, III, 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:

August 16, 1994

DATE OF DECISION: