

NASD AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimants

**John H. St. John and
Astrid St. John**

and

93-04990

Name of Respondents

**Edward D. Jones & Company and
EDJ Holding Company**

REPRESENTATION OF PARTIES

John H. St. John and Astrid St. John ("Claimants") were represented by Mike Griffin, Esq., Griffin & Whitten, Denton, Texas.

Edward D. Jones & Company and EDJ Holding Company ("Respondents") were represented by Jonathan A. Pace, Esq., Pace & Rickey, L.L.P., Dallas, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about December 3, 1993. Submission Agreement of Claimants John H. St. John and Astrid St. John, individually and in their capacity as Trustees of Jeremy Paul St. John, Jay Juaquin St. John and Jared A. St. John, Joseph H. St. John as Independent Executor of the Estate of Virginia Smith St. John and Joseph H. St. John as Guardian of Jeremy Paul St. John, Jay Juaquin St. John and Jared A. St. John and Jacob Ammon St. John was signed on November 29, 1993.

Statement of Answer was filed by Respondents Edward D. Jones & Company and EDJ Holding Company on or about February 15, 1994. Submission Agreements of Respondents Edward D. Jones & Company and EDJ Holding Company were signed on February 11, 1994 by Cynthia Doria.

HEARING INFORMATION

The hearing was held on Monday, September 12, 1994 in Dallas, Texas for a total of two (2) sessions.

CASE SUMMARY

Claimant alleged that Respondents breached an agreement entered into between the Claimants and Phillip Mills, a registered representative of Respondent. Specifically, Claimants alleged that Mr. Mills agreed to charge them a reduced commission for transactions in their accounts.

Respondents denied the allegations set forth in the Statement of Claim. Specifically, Respondents stated that the Claimant Joseph H. St. John's sole employment is as an investor; that he is an active and sophisticated investor and quite wealthy. Respondents also specifically denied the allegation that Mr. Mills entered into an agreement to charge 2% commission on the trades in the Claimants' accounts. Respondents further stated that Mr. St. John was well aware of the commissions charged in the accounts.

RELIEF REQUESTED

Claimants requested an award of \$107,430.25 for overcharges on commissions, \$50,000 for mental anguish and emotional distress, \$300,000 for additional damages under DTPA or common law exemplary damages, and attorneys' fees and costs in the amount of \$150,000.

Respondents requested that the arbitration panel deny the claims in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

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 original(s) remain on file with the NASD.

AWARD

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

1. Respondents Edward D. Jones & Company and EDJ Holding Company shall be and hereby are jointly and severally liable for and shall pay to the Claimants John H. St. John and Astrid St. John the sum of One hundred twenty three thousand dollars (\$123,000).
2. Each party shall bear its own costs, expenses and attorneys' fees incurred in this matter not specifically enumerated herein.
3. All relief requested not specifically granted herein is denied.

FORUM FEES

Forum fees are calculated at the rate of \$750 per hearing session and \$300 for each prehearing conference, if any. There were two (2) sessions x \$750 = \$1,500 in forum fees. Pursuant to §43(b) a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less.

Pursuant to §43(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$200 and shall refund the hearing session deposit in the amount of \$750 previously deposited with the NASD by the Claimants John H. St. John and Astrid St. John. Respondents Edward D. Jones & Company and EDJ Holding Company shall be and hereby are jointly and severally liable for and shall pay to the NASD the sum of \$1,500 as forum fees. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

September 26, 1994

September 26, 1994

/s/ Ned B. Young
Ned B. Young
Industry Arbitrator

September 23, 1994

Dated: 10/3/94