

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

A.G. Edwards & Sons, Inc.

95-00265

Name of Respondent

Stephen A. Mazer

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 13, 1995, Claimant A.G. Edwards & Sons, Inc. ("Edwards"), through its in-house counsel Jeff S. Jamieson, Esq., St. Louis, Missouri, stated that on or about May 3, 1993, Respondent Stephen A. Mazer ("Mazer") executed an Investment Broker Agreement and a Supplementary Training Agreement, and that on or about December 8, 1993 Mazer executed a Customer's Agreement in relation to his brokerage account with Edwards. Claimant further stated that Mazer was employed as a registered representative of Edwards from May 24, 1993 to October 13, 1994, and that at the time of his termination, Mazer owed Edwards a balance of \$6,592.28 based on his total accumulated overdraw debit plus charges assessed, pursuant to the terms of his Investment Broker Agreement. Claimant further alleged that Mazer has refused and failed to reimburse Edwards pursuant to his contractual obligation. Claimant stated that on or about December 28, 1994, Edwards charged Mazer's brokerage account \$2,794.52 as a partial repayment of his debt pursuant to the Customer's Agreement, and that Mazer has refused to pay the remaining \$3,797.76. As a result of the above, Claimant alleged that it has suffered damages for which Respondent should be held liable..

Respondent, Stephen A. Mazer, ("Mazer") through his counsel Howard E. Goldman, Esq. of Goldman & Kovelant, Laurel, Maryland, maintained that on or about June of 1994 while employed as a registered representative of Edwards, Mazer initiated a purchase transaction for a new customer of a new issue of Farrell Gas Properties ("Farrell Gas") with the assistance and approval of his branch manager. Mazer further maintained that on or about October 13, 1994 he terminated his employment with Edwards, and Edwards debited his brokerage account for the \$6,592.28 commission on the Farrell Gas trade that had been paid to him previously. Mazer asserted that since the Farrell Gas transaction had been approved by his branch manager, it should not have been subject to a charge back upon termination. Mazer alleged that Edwards acted in violation of NASD regulations when it debited his personal

brokerage for \$2,794.52 account without his approval and without authority. As a result of the above, the Respondent contended that he should not be held liable in this matter.

RELIEF REQUESTED

Claimant Edwards requested \$3,797.76 in actual damages plus interest, and all costs and expenses including attorney's fees.

Respondent Mazer requested that the Statement of Claim be denied, that Claimant be ordered to return the \$2,794.52 plus interest, and that Respondent be awarded all costs and expenses including attorney's fees.

AWARD

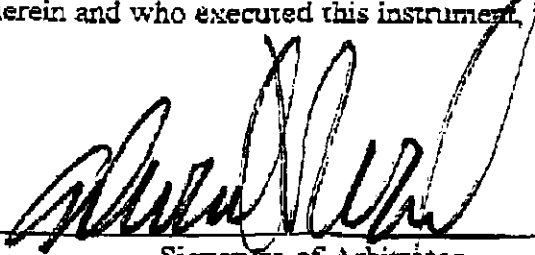
Pursuant to Section 10 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single industry Arbitrator, Edward Ward, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on January 9, 1995 and by the Respondent on March 14, 1995.

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 Statement of Claim filed by Claimant A.G. Edwards & Sons, Inc., is denied and dismissed in its entirety.
2. The Counterclaim filed by Respondent Stephen A. Mazer, is denied and dismissed in its entirety.
3. The parties shall bear their respective costs.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. ("NASD") by the Claimant shall be retained by the NASD, Inc.
5. Claimant, A.G. Edwards & Sons, Inc., shall be liable for and shall pay to Respondent, Stephen A. Mazer, \$575.00 as reimbursement of the counterclaim filing fee.

AFFIRMATION

I, **EDWARD WARD, ESQ.**, do hereby affirm upon my oath of arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in dark ink, appearing to read 'Edward Ward', is written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: 8/25/95