

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

William H. Doriss, (Claimant) vs. Leonard F. Lupoli, Richard Pignone, and A.G. Edwards & Sons, Inc., (Respondents)

Case Number: 99-00614

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant William H. Doriss, hereinafter referred to as "Claimant" appeared *pro se*.

Respondent Leonard F. Lupoli ("Lupoli"): Todd H. Lampert, Esq., Law Offices of Todd H. Lampert, New Canaan, Connecticut.

Respondents Richard Pignone ("Pignone") and A.G. Edwards & Sons, Inc. ("A.G. Edwards"): Michael Naccarato, Esq., Litigation Counsel, A.G. Edwards & Sons, Inc., St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about: February 9, 1999.

Amended Statement of Claim filed on or about: April 22, 1999.

Claimant signed the Uniform Submission Agreement: February 9, 1999.

Joint Statement of Answer filed by Lupoli and Pignone on or about: April 30, 1999.

Statement of Answer and Cross Claim filed by Lupoli on or about: May 3, 1999.

Lupoli signed the Uniform Submission Agreement: May 3, 1999.

Joint Statement of Answer filed by Pignone and Lupoli on or about: April 30, 1999.

First Amended Statement of Answer filed by Pignone on or about: May 11, 1999.

Joint Answer to Cross Claim filed by Pignone and A.G. Edwards on or about: May 11, 1999.

Pignone signed the Uniform Submission Agreement: April 30, 1999.

Statement of Answer filed by A.G. Edwards on or about: May 7, 1999.

Joint Answer to Cross Claim filed by A.G. Edwards and Pignone on or about: May 11, 1999.

A.G. Edwards signed the Uniform Submission Agreement: May 4, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: his account was egregiously ignored and mishandled; Respondents provided wrong and misleading advice; and, Respondents failed to

monitor and enforce his account.

Lupoli denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant failed to state a claim upon which relief may be granted; Claimant was the cause of any losses in his account; Claimant acted in reckless disregard of facts of which he should have been aware and failed to exercise the required due care and diligence required under the circumstances; Claimant authorized and/or directed all transactions in his account; the claims are barred by the doctrines of estoppel, waiver and ratification.

In his Cross Claim, Lupoli asserted the following cause of action: any damages caused to Claimant were due to the decisions, practices, instructions, and management of A.G. Edwards and Pignone.

Pignone denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant is barred from recovering by the doctrines of ratification, waiver, and estoppel; Claimant authorized all transactions attributed to his account; Claimant failed to mitigate his damages; Claimant was contributorily or comparatively negligent; Claimant assumed the risks of his investment strategy; Claimant's losses were the result of unforeseen market factors and conditions; the statute of limitations; and, Claimant failed to state a claim upon which relief may be granted.

A.G. Edwards denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant is barred from recovering from A.G. Edwards under his agreements and under the State of Connecticut Uniform Commercial Code; the claims are barred by the doctrines of ratification, waiver, and estoppel; Claimant authorized all transactions attributed to his account; Claimant failed to mitigate his damages; Claimant was contributorily or comparatively negligent; Claimant assumed the risks of his investment strategy; Claimant's losses were the result of unforeseen market factors or conditions; the statute of limitations; and, Claimant failed to state a claim upon which relief may be granted.

In their Answer to Lupoli's Cross Claim, Pignone and A.G. Edwards denied the allegations made in the Cross Claim.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages

\$67,983.00

Lupoli requested that the Statement of Claim be dismissed in its entirety plus costs, expenses, attorneys' fees, and indemnification, and/or apportionment from Pignone and A.G. Edwards.

Pignone requested that the Statement of Claim be dismissed in its entirety plus costs and expenses, including attorneys' fees.

A.G. Edwards requested that the Statement of Claim be dismissed in its entirety plus costs

and expenses, including Attorneys' fees.

Pignone and A.G. Edwards requested that Lupoli's Cross Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND 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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims be and hereby are denied in their entirety.
2. Upon confirmation of this Award by a court of competent jurisdiction, NASD Regulation, Inc. shall expunge all references to this arbitration from the permanent CRD records of Respondent Lupoli.
3. Upon confirmation of this Award by a court of competent jurisdiction, NASD Regulation, Inc. shall expunge all references to this arbitration from the permanent CRD records of Respondent Pignone.
4. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 150.00
Cross claim filing fee	= \$ 500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, A.G. Edwards & Sons, Inc. is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less.

Pursuant to Rule 10332 of the Code of Arbitration Procedure, fees associated with these proceedings for customer claims are:

One (1) Pre-hearing session with Panel x \$500.00	= \$ 500.00
Pre-hearing conference: October 25, 1999	1 session

Two (2) Hearing sessions x \$500.00	= \$1,000.00
-------------------------------------	--------------

Hearing Date: March 28, 2000	2 sessions
Total Forum Fees	= \$1,500.00

The Panel has assessed \$750.00 (1/2) of the forum fees against Claimant.

Pursuant to Rule 10332 of the Code of Arbitration Procedure, fees associated with these proceedings for industry claims are:

One (1) Pre-hearing session with Panel x \$600.00	= \$ 600.00
Pre-hearing conference: October 25, 1999	1 session

Two Hearing sessions x \$600.00	= \$1,200.00
---------------------------------	--------------

Hearing dates: March 28, 2000	2 sessions
Total Forum Fees	= \$1,800.00

The Panel has assessed \$900.00 (1/2) of the forum fees jointly and severally against Lupoli, Pignone, and A.G. Edwards.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 150.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 900.00
Less payments	= \$ 650.00
Balance Due NASD Regulation, Inc.	= \$ 250.00

2. Lupoli be and hereby is solely liable for:

Cross Claim Filing Fee	= \$ 500.00
Total Fees	= \$ 500.00
Less payments	= \$ 0.00
Balance Due NASD Regulation, Inc.	= \$ 500.00

3. A.G. Edwards be and hereby is solely liable for:

<u>Member Fees</u>	= \$3,100.00
<u>Total Fees</u>	= \$3,100.00
<u>Less payments</u>	= \$3,100.00
Balance Due NASD Regulation, Inc.	= \$ 0.00

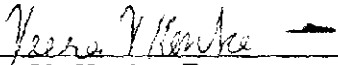
4. Lupoli, Pignone, and A.G. Edwards be and hereby are jointly and severally liable for:

<u>Forum Fee</u>	= \$ 900.00
<u>Total Fees</u>	= \$ 900.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Regulation, Inc.	= \$ 900.00

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



Veera V. Konka, Esq.
Public Arbitrator, Presiding Chair

5/2/00

Signature Date

Julian M. Kien
Public Arbitrator

Signature Date

Richard Berenger
Industry Arbitrator

Signature Date

May 9, 2000

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Veera V. Konka, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Julian M. Kien
Public Arbitrator

Signature Date

Richard Berenger
Richard Berenger
Industry Arbitrator

5-8-00
Signature Date

May 9, 2000
Date of Service (For NASD office use only)