

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Alice Harris, f/k/a Alice Boykin, Claimant v. A. G. Edwards & Sons, Inc. and George Hill,
Respondents

Case Number: 99-01604

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

Mitchell J. Albert, Esq.
Albert and Will, LLP
Torrance, California

For Respondents:

Michael Naccarato, Esq.
A. G. Edwards & Sons, Inc.
St. Louis, Missouri

CASE INFORMATION

Statement of Claim filed: March 31, 1999

Amended Statement of Claim filed: December 6, 1999

Claimant's Uniform Submission Agreement signed: March 30, 1999

Joint Statement of Answer filed by Respondents A. G. Edwards & Sons, Inc. and George Hill:
July 12, 1999

Respondent A. G. Edwards & Sons, Inc.'s Uniform Submission Agreement signed: June 2, 1999

Respondent George Hill's Uniform Submission Agreement signed: June 7, 1999

CASE SUMMARY

Claimant alleged intentional and negligent misrepresentation, omission, breach of contract, breach of fiduciary duty, unsuitability, and professional negligence. Claimant also alleged failure to supervise, and violations of NASD Rules, NYSE Rules, federal securities law, and the California Corporation Code.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$132,000.00 in compensatory damages, and reimbursement for attorney's fees and costs of arbitration.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, and reimbursement for attorney's fees and costs of arbitration.

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, 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. Respondent A.G. Edwards & Sons, Inc. is liable to and shall pay Claimant \$36,000.00 in compensatory damages.
2. Respondent George Hill is liable to and shall pay Claimant \$4,000.00 in compensatory damages.
3. Each party shall bear its own costs of arbitration, including attorney's fees.
4. All other relief requested and granted is expressly denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. has received or will collect the non-refundable filing fees for each claim as follows:

| | |
|--------------------------|-------------|
| Initial claim filing fee | = \$ 300.00 |
|--------------------------|-------------|

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the event of the dispute. Accordingly, the member firm A. G. Edwards & Sons, Inc. is a party and the following fees are assessed:

| | |
|----------------------------|----------------------|
| Member Surcharge | = \$ 1,500.00 |
| Pre-Hearing Process Fee | = \$ 600.00 |
| <u>Hearing Process Fee</u> | <u>= \$ 2,500.00</u> |
| Total Member Fees | = \$ 4,600.00 |

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

| | |
|--|----------------------|
| 1 Pre-hearing conference session with the Panel @ \$1,125.00/session | = \$ 1,125.00 |
| Pre-hearing conference: March 9, 2000 | 1 session |
| 3 Hearing sessions @ \$1,125.00/session | = \$ 3,375.00 |
| Hearings: May 23, 2000 | 1 session |
| May 24, 2000 | 2 sessions |
| <u>Total Forum Fees</u> | <u>= \$ 4,500.00</u> |

The Arbitration Panel assessed \$ 4,500.00 of the forum fees to A. G. Edwards & Sons, Inc.

Fee Summary

1. Claimant Alice Harris is charged with the following fees and costs:

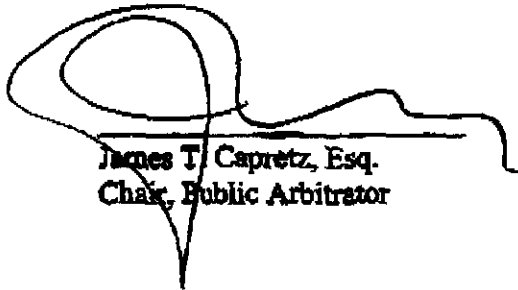
| | |
|----------------------------|------------------------|
| Initial Filing Fee | = \$ 300.00 |
| <u>Less payments</u> | = \$ (1,425.00) |
| Refund Due Claimant | = \$ (1,125.00) |

2. Respondent A. G. Edwards & Sons, Inc. is charged with the following fees and costs:

| | |
|--|----------------------|
| Forum Fees | = \$ 4,500.00 |
| <u>Member Fees</u> | = \$ 4,600.00 |
| Total Fees | = \$ 9,100.00 |
| <u>Less payments</u> | = \$ (2,100.00) |
| Balance Due NASD Regulation, Inc. | = \$ 7,000.00 |

All balances are payable to NASD Regulation, Inc. and are due within 30 days of the Award's date of service.

Concurring Arbitrators' Signatures



James T. Capretz, Esq.
Chair, Public Arbitrator

Harry Miller
Public Arbitrator

Donald L. Lisle
Non-Public Arbitrator

June 5, 2000

Signature Date

Signature Date

Signature Date

June 5, 2000

Date of Service

Concurring Arbitrators' Signatures

James T. Capretz, Esq.
Chair, Public Arbitrator

Signature Date

Harry Miller
Harry Miller
Public Arbitrator

6-1-00

Signature Date

Donald L. Lisle
Non-Public Arbitrator

Signature Date

Date of Service

Concurring Arbitrators' Signatures

James T. Capretz, Esq.
Chair, Public Arbitrator

Signature Date

Harry Miller
Public Arbitrator

Signature Date



Donald L. Lisle
Non-Public Arbitrator

Signature Date

Date of Service