

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Mary Francis Medaris, Michael A. Mills, Ralph Bown and George Bown,
(Claimants) vs. A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen, Jr.,
(Respondents).

Case Number: 99-01739

Hearing Site: Dallas, Texas

REPRESENTATION OF PARTIES

Claimants, Mary Francis Medaris, Michael A. Mills, Ralph Bown and George Bown (collectively "Claimants"): William S. Shepherd, Esq. and Kirk G. Smith, William S. Shepherd & Associates, P.C., Houston, Texas.

Respondents, A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen, Jr. (collectively "Respondents"): Jane Matosian, Esq., A.G. Edwards & Sons, Inc., St. Louis, Missouri

CASE INFORMATION

Statement of Joint Claim was filed on or about: April 13, 1999. The Ordered Amended Statement of Claim of Claimants Mary Francis Medaris and Michael A. Mills was filed on or about: February 29, 2000.

Claimant, Mary Francis Medaris, signed the Uniform Submission Agreement: February 3, 1999.

Claimant, Michael A. Mills, signed the Uniform Submission Agreement: February 22, 1999.

Claimant, Ralph Bown, signed the Uniform Submission Agreement: February 2, 1999.

Claimant, George Bown, signed the Uniform Submission Agreement: January 29, 1999.

Statement of Joint Answer filed by Respondents, A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen, Jr., on or about: August 2, 1999. Statement of Joint Answer to Claimants' Ordered Amended Statement of Claim on March 15, 2000.

Respondent, A.G. Edwards & Sons, Inc. signed the Uniform Submission

Agreement: July 29, 1999.

Respondent, Raymond "Buzz" Allen, Jr. signed the Uniform Submission

Agreement: July 21, 1999.

CASE SUMMARY

Claimants Mary Francis Medaris and Michael A. Mills asserted causes of action including the following: breach of contract and warranties, promissory estoppel, violations of the Texas Consumer Protection and Deceptive Trade Practices Act, violations of the Federal Securities Exchange Act, violations of the Texas Securities Statutes, Fraud, intentional and negligent misrepresentation, breach of fiduciary duty, and intentional and gross negligence. The causes of action relate to the purchase and sale of Ascend Communications stock by the Claimants.

Unless specifically admitted in their Answer, Respondents A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants' failure to timely object to any of the transactions of which he complains constitutes a ratification of the transactions and waiver or estoppel of Claimants' right to recovery, account stated, and failure to state a claim upon which relief can be granted.

RELIEF REQUESTED

Claimants Mary Francis Medaris and Michael A. Mills requested:

Compensatory Damages	\$500,000.00
Punitive Damages	unspecified
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief	unspecified

Respondent A.G. Edwards & Sons, Inc. requested:

Attorneys' Fees	unspecified
Costs	unspecified
Other Monetary/Non-Monetary Relief	unspecified.

OTHER ISSUES CONSIDERED AND DECIDED

On January 10, 1999 the panel heard oral argument on the Respondents' Motion to Sever from all parties. The panel granted the Motion and this matter continued on the claims of Mary Francis Medaris and Michael Mills only. Ralph and George Bown were directed to re-file their claims in a separate action.

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 Arbitration Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That any and all of Claimants Mary Francis Medaris and Michael A. Mills' requests for relief, including punitive damages, are hereby dismissed and 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	= \$300.00
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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 person at the time of the events giving rise to the dispute. In this matter, the member firm is a party and the Respondent's firm.

Member surcharge	= \$1500.00
Pre-hearing process fee	= \$600.00
Hearing process fee	= \$2,500.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450.00	= \$450.00
Pre-hearing conference: April 5, 2000	1 session

One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: January 7, 2000	1 session

Eleven (11) Hearing sessions x \$1,125.00		= \$12,375.00
Hearing Dates:	May 9, 2000	2 sessions
	May 10, 2000	3 sessions
	May 11, 2000	3 sessions
	May 12, 2000	3 sessions
<hr/> Total Forum Fees		= \$13,950.00

The Arbitration Panel has assessed \$13,950.00 of the forum fees jointly and severally to Respondents A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen

Fee Summary

1. Claimants, Mary Francis Medaris and Michael A. Mills, be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$300.00
Forum Fees	= \$0
<u>Administrative Costs</u>	= \$0
Total Fees	= \$300.00
<u>Less payments</u>	= \$1,425.00
Refund due Claimants	= \$1,125.00

2. Respondent, A.G. Edwards & Sons, Inc., be and hereby is solely liable for:

Member Fees	= \$4,600.00
Adjournment Fee	= \$0
<u>Administrative Costs</u>	= \$0
Total Fees	= \$4,600.00
<u>Less payments</u>	= \$4,600.00
Balance Due NASD Regulation, Inc.	= \$0

3. Respondents, A.G. Edwards & Sons, Inc. and Raymond "Buzz" Allen, be and hereby are jointly and severally liable for:

<u>Forum Fee</u>	= \$13,950.00
Balance Due NASD Regulation, Inc.	= \$13,950.00

All balances are due to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

Philip J. McConnell, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Edmund R. Yates, Esq.
Public Arbitrator

JUNE 14, 2000
Signature Date

Stephen C. Thayer, Esq.
Industry Arbitrator

Signature Date

All balances are due to NASD Regulation, Inc.

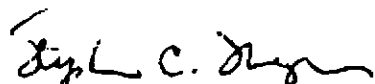
Concurring Arbitrators' Signatures

Philip I. McConnell, Esq.
Public Arbitrator, Presiding Chair

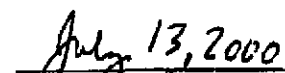
Signature Date

Edmund R. Yates, Esq.
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Stephen C. Thayer, Esq.
Industry Arbitrator



Signature Date

All balances are due to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

Philip I. McConnell

Philip I. McConnell, Esq.
Public Arbitrator, Presiding Chair

06/15/2000
Signature Date

Edmund R. Yates, Esq.
Public Arbitrator

Signature Date

Stephen C. Thayer, Esq.
Industry Arbitrator

Signature Date