

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Erwin J. Andersen

Case No. 99-02230

Names of Respondents

A.G. Edwards & Sons, Inc.
Jack Webber Lantis

REPRESENTATION OF PARTIES

For Erwin J. Anderson, hereinafter referred to as "Claimant": W. Andrew Clayton, Jr., Esq. of the law firm of Wallace, Browning, Clayton & Krawetz, Sarasota, Florida.

For A.G. Edwards & Sons, Inc. ("A.G. Edwards") and Jack Webber Lantis ("Lantis"), hereinafter collectively referred to as "Respondents": Michael Naccarato, Esq., In-House Counsel, A.G. Edwards, St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about: May 14, 1999.

Claimant signed the Uniform Submission Agreement on: May 2, 1999.

Statement of Answer filed by Respondents on or about: August 2, 1999.

Respondent A.G. Edwards signed the Uniform Submission Agreement on: June 16, 1999.

Respondent Lantis signed the Uniform Submission Agreement on: July 27, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: 1) violations of the Florida Securities and Investor Protection Act with respect to Respondents' unsuitable recommendations and Respondent A.G. Edward's failure to supervise Respondent Lantis; 2) equitable rescission; 3) breach of fiduciary duty; 4) negligence; 5) breach of contract; 6) fraud; 7) negligent misrepresentation; and 8) violations of Rule 10b-5 of the Securities and Exchange Act of 1934.

Claimant further alleged the following: Respondent Lantis was a registered securities representative of Respondent A.G. Edwards. Claimant seeks damages arising out of Respondent Lantis' recommendations to purchase and sell options in Dell, America Online, General Motors, and J.C. Penney. Respondent A.G. Edwards is liable for its own conduct in effectuating the transactions at issue and is liable for the conduct of Respondent Lantis

under the doctrine of respondeat superior.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: 1) Claimant is barred from recovery for failure to timely register his complaints of the transactions at with Respondent A.G. Edwards; 2) Claimant is barred from recovery by the doctrines of ratification, waiver and estoppel; 3) Claimant expressly authorized the transactions at issue; 4) Claimant failed to timely mitigate his damages; 5) Claimant is barred from recovery by his own contributory negligence or comparative fault; 6) Claimant is not entitled to recovery of his attorneys' fees; and 7) Claimant failed to state a claim upon which relief may be granted.

RELIEF REQUESTED

Claimant requested compensatory damages of \$125,000.00, attorneys' fees, costs, and such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested dismissal of the Statement of Claim, costs and such other relief the Panel deemed just and proper.

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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent A.G. Edwards is liable and shall pay to Claimant the sum of \$57,600.00 plus pre-judgment interest for the period of January 12, 1999 through July 26, 2000, at the rate of ten (10%) per annum. Post-judgment interest shall accrue in accordance with Rule 10330(h) of the NASD-DR Code of Arbitration Procedure (the "Code").
2. Respondent Lantis is liable and shall pay to Claimant the sum of \$6,400.00 plus pre-judgment interest for the period of January 12, 1999 through July 26, 2000, at the rate of ten (10%) per annum. Post-judgment interest shall accrue in accordance with Rule 10330(h) of the Code.
3. Respondent A.G. Edwards is liable and shall pay to Claimant the sum of \$300.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution, Inc.
4. Respondent A.G. Edwards is liable and shall pay to Claimant reasonable attorneys'

fees in an amount to be determined by a court of competent jurisdiction pursuant to Florida Statutes.

5. Respondent A.G. Edwards is liable and shall pay to Claimant expert witness fees in an amount to be determined by a court of competent jurisdiction.

6. All other requests for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, 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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

Adjournment Fees

Adjournments requested during these proceedings:

There were no adjournments requested during these proceedings.

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 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 Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: January 27, 2000 1 session	

Four (4) Hearing sessions x \$1,125.00	= \$4,500.00
Hearing Dates: July 25, 2000 2 sessions	
July 26, 2000 2 sessions	

Total Forum Fees	= \$5,625.00
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The Panel has assessed the total forum fees of \$5,625.00 to Respondent A.G. Edwards.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$300.00
Total Fees	= \$300.00
<u>Less payments</u>	<u>= \$300.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$0.00

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

Member Fees	= \$ 4,600.00
Forum Fees	= \$ 5,625.00
Total Fees	= \$10,225.00
<u>Less payments</u>	<u>= \$ 4,600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$5,625.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

_____/s/
Stuart K. Furman
Public Arbitrator, Presiding Chair

Signature Date

_____/s/
Neal J. Tourdo
Industry Arbitrator

Signature Date

_____/s/
Glenn A. Nakamura
Public Arbitrator

Signature Date

August 17, 2000
Date of Service (For NASD-DR office use only)

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

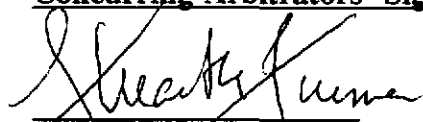
Initial Filing Fee	= \$300.00
Total Fees	= \$300.00
<u>Less payments</u>	<u>= \$300.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$0.00

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

Member Fees	= \$ 4,600.00
Forum Fees	= \$ 5,625.00
Total Fees	= \$10,225.00
<u>Less payments</u>	<u>= \$ 4,600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$5,625.00

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Concurring Arbitrators' Signatures



Stuart K. Furman
Public Arbitrator, Presiding Chair

8/3/00

Signature Date

Neal J. Tourdo
Industry Arbitrator

Signature Date

Glenn A. Nakamura
Public Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

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Concurring Arbitrators' Signatures

Stuart K. Furman
Public Arbitrator, Presiding Chair

Signature Date



Neal J. Tourdo
Industry Arbitrator

8/2/00

Signature Date

Glenn A. Nakamura
Public Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

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Total Fees	= \$10,225.00
<u>Less payments</u>	<u>= \$ 4,600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$5,625.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Stuart K. Furman
Public Arbitrator, Presiding Chair

Signature Date

Neal J. Tourdo
Industry Arbitrator

Signature Date



Glenn A. Nakamura
Public Arbitrator

8/17/2000

Signature Date

Date of Service (For NASD-DR office use only)