

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Wai Procter

Case No. 99-02367

Names of Respondents

A.G. Edwards & Sons, Inc.
David H. Gilchrist
Christopher M. Cole

Hearing Site: Atlanta, Georgia

REPRESENTATION OF PARTIES

For Wai Procter ("Procter"), hereinafter referred to as "Claimant": Kenneth D. Haynes, Esq. of Haynes & Haynes, P.C., Birmingham, Alabama.

For Respondents A.G. Edwards & Sons, Inc. ("Edwards"), David H. Gilchrist ("Gilchrist") and Christopher M. Cole ("Cole"), hereinafter collectively referred to as "Respondents": Phyllis A. Hartrich, Litigation Counsel, Edwards, St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about: May 7, 1999.

Letter dated June 14, 1999 from James D. Keeney, Esq. to NASD Dispute Resolution, Inc. filed.

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

Statement of Answer filed by Respondents on or about: August 12, 1999.

Respondent Edwards signed the Uniform Submission Agreement: August 12, 1999.

Respondent Gilchrist signed the Uniform Submission Agreement: August 9, 1999.

Respondent Cole signed the Uniform Submission Agreement: July 19, 1999.

CASE SUMMARY

Claimant asserted the following: Because of Respondents' unlawful discrimination, defamation and retaliation, Claimant has lost clients, income, commissions, job benefits, retirement benefits and additional benefits and bonuses, as well as future clients, income, commissions, job benefits, retirement benefits, and additional benefits and bonuses and Claimant's career has been largely destroyed. Claimant has also

suffered humiliation and mental anguish, loss of personal and professional esteem, reduction and diminution of her future earning capacity and other injury and damages.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested an award payable jointly and severally against Respondents of approximately ten million dollars as follows: for actual past and future wage losses and damages, exclusive of prejudgment interest, in an amount in excess of \$1,000,000.00; for additional damages for humiliation, loss of dignity, and mental anguish, in the statutory maximum amount of \$300,000.00 plus pre-judgment interest; for other compensatory damages plus pre-judgment interest; for all of Claimant's costs, expenses, and disbursements in pursuing this arbitration proceeding; for full reimbursement of all filing fees, hearing deposits, and forum fees; for additional punitive damages over and above the actual, compensatory and consequential damages in an amount to be determined by the arbitrators; for Claimant's reasonable attorneys' fees pursuant to 42 U.S.C. Section 1988, with such amount to be determined by a court of competent jurisdiction; and, for such other and further relief as justice or equity requires, as the arbitration panel deemed just and proper.

Respondents requested that all claims made within the Statement of Claim be dismissed with prejudice, that Respondent Edwards be awarded its costs and expenses incurred in the defense of this action and for such other relief as the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Pursuant to the agreement of the parties at the evidentiary hearing on March 21, 2002, the Claimant is assessed the sum of \$300.00 and Respondents are assessed the sum of \$300.00, jointly and severally, representing payment to the arbitrators for a full session to compensate them for their post-hearing time spent reviewing the deposition testimony of Ron Hoenninger and the parties' post-hearing briefs.

The parties agreed that the Award in this matter may be executed in counterpart copies.

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:

Claimant's claims are denied in their entirety.

The Panel recommends the expungement of the reason for termination stated on Claimant's Form U-5 based on the defamatory nature of the information in the CRD system. As such, the Form U-5 should read as follows: "Claimant was discharged without cause, but the discharge was not unlawful."

Respondents Edwards and Gilchrist be and hereby are liable, jointly and severally, and shall pay to Claimant the sum of \$600.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution, Inc.

Any and all relief requests not specifically addressed herein, including Claimant's request for punitive damages, 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	= \$600.00
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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	= \$3,000.00
Pre-hearing process fee	= \$600.00
Hearing process fee	= \$5,000.00

Adjournment Fees

Adjournments requested during these proceedings:

March 12, 13, 14, 15 and March 16, 2001 Hearing Dates, adjournment by Claimant
= \$1,200.00.

December 11, 12, 13 and 14, 2002, Hearing Dates, adjournment by Respondents=
\$1,200.00, jointly and severally.

Forum Fees and Assessments

The panel has the authority to assess 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 Pre-hearing session with a single arbitrator x \$450.00	= \$450.00
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Pre-hearing conference:	May 17, 2000	1 session
One Pre-hearing session with the Panel x	\$1,200.00	= \$1,200.00
Pre-hearing conference:	December 16, 1999	1 session
Fourteen Hearing sessions x	\$1,200.00	= \$16,800.00
Hearing Dates:	September 11, 2001	2 sessions
	September 12, 2001	2 sessions
	September 13, 2001	2 sessions
	September 14, 2001	2 sessions
	March 19, 2002	2 sessions
	March 20, 2002	2 sessions
	March 21, 2002	2 sessions

Total Forum Fees	= \$18,450.00
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The panel has assessed the total forum fees of \$18,450.00 to Respondents Edwards and Gilchrist, jointly and severally.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$600.00
Adjournment Fee	= \$1,200.00
Arbitrator Payment	= \$300.00

Total Fees	= \$2,100.00
Less payments	= \$2,100.00

Balance Due NASD Dispute Resolution, Inc.	= \$0.00
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Respondent Edwards be and hereby is solely liable for:

Member Fees	= \$8,600.00
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Total Fees	= \$8,600.00
Less payments	= \$8,600.00

Balance Due NASD Dispute Resolution, Inc.	= \$0.00
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Respondents be and hereby are jointly and severally liable for:

Adjournment Fee	= \$1,200.00
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Arbitrator Payment	= \$300.00
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Total Fees	= \$1,500.00
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Less payments	= \$1,200.00
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Balance Due NASD Dispute Resolution, Inc.	= \$300.00
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Respondent Edwards and Gilchrist be and hereby are jointly and severally liable for:

Forum Fees	= \$18,450.00
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Total Fees	= \$18,450.00
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Less payments	= \$0.00
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Balance Due NASD Dispute Resolution, Inc.	= \$18,450.00
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All balances are due and payable to NASD Dispute Resolution, Inc. immediately upon the parties' receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Frank W. Virgin, Esq.	-	Public Arbitrator Presiding Chair
Ronelle W. Genser	-	Public Arbitrator
M. Bruce Adelberg	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Ronelle W. Genser
Public Arbitrator

Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 99-02367

Award Page 6

_____/S/_____
M. Bruce Adelberg
Non-Public Arbitrator

Signature Date

May 29, 2002
Date of Service (For NASD-Dispute Resolution office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 99-02367
Award Page 5

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondents be and hereby are jointly and severally liable for:

Adjournment Fee = \$1,200.00
Arbitrator Payment = \$300.00

Total Fees = \$1,500.00
Less payments = \$1,200.00

Balance Due NASD Dispute Resolution, Inc. = \$300.00

Respondent Edwards and Gilchrist be and hereby are jointly and severally liable for:

Forum Fees = \$18,450.00

Total Fees = \$18,450.00
Less payments = \$0.00

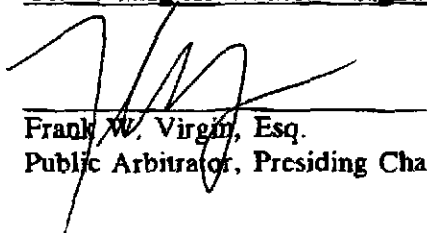
Balance Due NASD Dispute Resolution, Inc. = \$18,450.00

All balances are due and payable to NASD Dispute Resolution, Inc. immediately upon the parties' receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Frank W. Virgin, Esq.	-	Public Arbitrator Presiding Chair
Ronelle W. Genser	-	Public Arbitrator
M. Bruce Adelberg	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

5/17/02
Signature Date

Ronelle W. Genser
Public Arbitrator

Signature Date

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MAY 20 2002
FL ARBITRATION

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondents be and hereby are jointly and severally liable for:

Adjournment Fee = \$1,200.00
Arbitrator Payment = \$300.00

Total Fees = \$1,500.00
Less payments = \$1,200.00

Balance Due NASD Dispute Resolution, Inc. = \$300.00

Respondent Edwards and Gilchrist be and hereby are jointly and severally liable for:

Forum Fees = \$18,450.00

Total Fees = \$18,450.00
Less payments = \$0.00

Balance Due NASD Dispute Resolution, Inc. = \$18,450.00

All balances are due and payable to NASD Dispute Resolution, Inc. immediately upon the parties' receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Frank W. Virgin, Esq. - Public Arbitrator Presiding Chair
Ronelle W. Genser - Public Arbitrator
M. Bruce Adelberg - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Ronelle W. Genser
Public Arbitrator

May 20, 2002
Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 99-02367

Award Page 6

M. Bruce Adelberg
M. Bruce Adelberg
Non-Public Arbitrator

5/16/02
Signature Date

Date of Service (For NASD-Dispute Resolution office use only)

BEFORE THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant:

Wai Proctor

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FL ARBITRATION

Case No. 99-02367

Name of Respondents:

A.G. Edwards & Sons, Inc.,
David H. Gilchrist and
Christopher M. Cole,

Hearing Site: Atlanta, Georgia

AMENDMENT TO AWARD

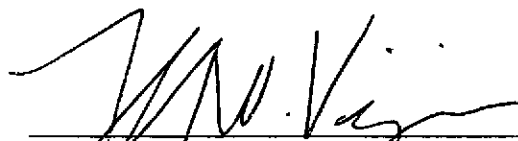
The above-styled proceeding having been returned to this panel by Order of the Honorable Tennant M. Smallwood, in the case of Wai-Dor C. Proctor v. A.G. Edwards & Sons, Inc., et al. in the Circuit Court of Jefferson County, Alabama, Civil Action File No. CV-02-5103 and for clarification, the Award is amended by eliminating the first paragraph of page 3 on the Award dated May 20, 2002 and in lieu thereof substituting the following:

The panel recommends the expungement of the reasons for termination stated on Claimant's Form U-5 based upon the defamatory nature of the information in the CRD system. As such, the Form U-5 should read as follows: Claimant was discharged without cause, but the discharge was not unlawful. While

Claimant failed to prove all necessary elements for recovery on her defamation claim, the above wording is used pursuant to NASD Notice to Members 99-09 to authorize immediate expungement, without the requirement that Claimant have the award confirmed by a court of competent jurisdiction.

Except as modified herein, the Award shall remain in full force and effect.

ARBITRATION PANEL



Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

4/15/03

Signature Date

Ronelle W. Genser
Public Arbitrator

Signature Date

M. Bruce Adelberg
Non-Public Arbitrator

Signature Date

Claimant failed to prove all necessary elements for recovery on her defamation claim, the above wording is used pursuant to NASD Notice to Members 99-09 to authorize immediate expungement, without the requirement that Claimant have the award confirmed by a court of competent jurisdiction.

Except as modified herein, the Award shall remain in full force and effect.

ARBITRATION PANEL

Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Ronelle W. Gensor
Public Arbitrator

Signature Date

M. Bruce Adelberg
M. Bruce Adelberg
Public Arbitrator

4/14/03
Signature Date

Claimant failed to prove all necessary elements for recovery on her defamation claim, the above wording is used pursuant to NASD Notice to Members 99-09 to authorize immediate expungement, without the requirement that Claimant have the award confirmed by a court of competent jurisdiction.

Except as modified herein, the Award shall remain in full force and effect.

ARBITRATION PANEL

Frank W. Virgin, Esq.
Public Arbitrator, Presiding Chair

Ronelle W. Gensar

Ronelle W. Gensar
Public Arbitrator

Signature Date

April 14, 2003

Signature Date

M. Bruce Adelberg
Non-Public Arbitrator

Signature Date