Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants
Shep Alster, Shep Alster PAS Account,
Shep Alster PAS/Harris Bretall,
Shep Alster Custodian for Jennifer Alster, Shep Alster
Custodian for Jessica Alster, Shep Alster
Custodian for Ryan Alster, and Shep Alster IRA

Case Number: 02-05060

Name of the Respondent
A. G. Edwards & Sons, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Shep Alster, Shep Alster PAS Account, Shep Alster PAS/Harris Bretall, Shep Alster Custodian for Jennifer Alster, Shep Alster Custodian for Jessica Alster, Shep Alster Custodian for Ryan Alster, and Shep Alster IRA, hereinafter collectively referred to as "Claimants": Scott Silver, Esq., Law Offices of Darren C. Blum, P.A., Plantation, Florida.

For A. G. Edwards & Sons, Inc., hereinafter referred to as "Respondent": David M. Minnick, Associate Vice President and Counsel, A. G. Edwards & Sons, Inc., St. Louis, Missouri.

CASE INFORMATION

Statement of Claim filed on or about: August 28, 2002.
Claimants signed the Uniform Submission Agreement: August 20, 2002.
Statement of Answer filed by Respondent on or about: November 12, 2002.
Amended Statement of Answer filed by Respondent on or about: December 10, 2002.
Respondent signed the Uniform Submission Agreement: October 12, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: failure to supervise; misrepresentation; suitability; negligence; violation of Section 517.301 of the Florida Statutes; breach of contract; breach of fiduciary duty; and common law fraud. The causes of action relate to the purchase and sale of unspecified stocks in Claimants' accounts.

Unless specifically admitted in its Answer and Amended Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of $500,000.00; interest at the legal rate from the date of purchase or reasonable market return; rescission; reasonable attorneys' fees to be determined by a court of competent jurisdiction; punitive damages; costs; and for such other relief as is just and proper.

Respondent requested dismissal of the Statement of Claim in its entirety; costs; expenses; and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

After the Claimants rested, Respondent made an ore tenus Motion to Dismiss the Statement of Claim. The Panel denied said motion.

The parties 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:

Respondent is liable on the claims of suitability and negligence and shall pay to Claimants the following: to Claimant Shep Alster compensatory damages of $250,000.00 plus post award interest which begins to accrue 30 days from the date of the Award until the date of payment of the Award at the Florida legal rate of 6% per annum; to Claimant Shep Alster as Custodian for Jennifer Alster compensatory damages of $18,549.00 plus post award interest which begins to accrue 30 days from the date of the Award until the date of payment of the Award at the Florida legal rate of 6% per annum; and, to Claimant Shep Alster as custodian for Jessica Alster compensatory damages of $13,439.00 plus post award interest which begins to accrue 30 days from the date of the Award until the date of payment of the Award at the Florida legal rate of 6% per annum.

Claimants Shep Alster PAS, Shep Alster PAS/Harris Bretall, Shep Alster as Custodian for Ryan Alster and Shep Alster IRA's claims for relief are denied in their entirety.

Any and all requests relief not specifically addressed herein, including Claimants' claims for relief pursuant to Section 517.301 of the Florida Statutes, the parties' requests for attorneys' fees, and the Claimants' requests for punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees
NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= $ 300.00

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 person at the time of the events giving rise to the dispute. Accordingly, Respondent A. G. Edwards & Sons, Inc. is a member firm and party.

Member surcharge	= $1,700.00
Pre-hearing process fee	= $ 750.00
Hearing process fee	= $2,750.00
Total Member Fees	= $5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Panel @ $1,125.00			= $1,125.00
Pre-hearing conference:	March 3, 2003	1 session	
Seven (7) Hearing sessions @ $1,125.00			= $7,875.00
Hearing Dates:	November 18, 2003	2 sessions	
	November 19, 2003	2 sessions	
	November 20, 2003	2 sessions	
	November 21, 2003	1 session	
Total Forum Fees			= $9,000.00

The Panel assessed forum fees of $4,500.00 to Claimants, jointly and severally.
The Panel assessed forum fees of $4,500.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Filing Fee	= $ 300.00
Forum Fees	= $4,500.00
Total Fees	= $4,800.00
Less payments	= $1,425.00
Balance Due NASD Dispute Resolution	= $3,375.00

Respondent is solely liable for:

Member Fees	= $5,200.00
Forum Fees	= $4,500.00
Total Fees	= $9,700.00
Less payments	= $5,200.00
Balance Due NASD Dispute Resolution	= $4,500.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Allen J. Kaplan, Esq. - *Public Arbitrator, Presiding Chairperson*
Abe Mintz - *Public Arbitrator*
David W. Newman - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

/s/ 12/12/03
Abe Mintz Signature Date
Public Arbitrator

/s/ 12/11/03
David W. Newman Signature Date
Non-Public Arbitrator

Concurring in Part, Dissenting in Part Arbitrator's Signature

Arbitrator Kaplan concurs with the Panel's decision in all parts except that Arbitrator Kaplan dissents with the amount of compensatory damages awarded to Claimants.

/s/ 12/12/03

Allen J. Kaplan, Esq. Signature Date

Public Arbitrator, Presiding Chairperson

12/17/03

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

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Filing Fee	= $ 300.00
Forum Fees	= $4,500.00
Total Fees	= $4,800.00
Less payments	= $1,425.00
Balance Due NASD Dispute Resolution	= $3,375.00

Respondent is solely liable for:

Member Fees	= $5,200.00
Forum Fees	= $4,500.00
Total Fees	= $9,700.00
Less payments	= $5,200.00
Balance Due NASD Dispute Resolution	= $4,500.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Allen J. Kaplan, Esq.	-	*Public Arbitrator, Presiding Chairperson*
Abe Mintz	-	*Public Arbitrator*
David W. Newman	-	*Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Abe Mintz
Public Arbitrator

12/12/03
Signature Date

David W. Newman
Non-Public Arbitrator

Signature Date

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Filing Fee	= $ 300.00
Forum Fees	= $4,500.00
Total Fees	= $4,800.00
Less payments	= $1,425.00
Balance Due NASD Dispute Resolution	= $3,375.00

Respondent is solely liable for:

Member Fees	= $5,200.00
Forum Fees	= $4,500.00
Total Fees	= $9,700.00
Less payments	= $5,200.00
Balance Due NASD Dispute Resolution	= $4,500.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Allen J. Kaplan, Esq. - *Public Arbitrator, Presiding Chairperson*
Abe Mintz - *Public Arbitrator*
David W. Newman - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Abe Mintz
Public Arbitrator

Signature Date

David W. Newman
Non-Public Arbitrator

12/11/03
Signature Date

Concurring in Part, Dissenting in Part Arbitrator's Signature

Arbitrator Kaplan concurs with the Panel's decision in all parts except that Arbitrator Kaplan dissents with the amount of compensatory damages awarded to Claimants.

Allen J. Kaplan

Allen J. Kaplan, Esq.
Public Arbitrator, Presiding Chairperson

12/12/03
Signature Date

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