

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Claimant

Roland G. Pettit

Case Number: 01-02050

Respondents

Robert W. Baird & Company, Inc.  
and Thomas J. Stanley

Hearing Site: Chicago, Illinois

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**REPRESENTATION OF PARTIES**

Claimant, Roland G. Pettit Pettit, hereinafter referred to as "Claimant": Stephen J. Thomas, Esq. with the Thomas Group located in Peoria, Illinois

Respondents, Robert W. Baird & Company, Inc. ("Baird & Company") and Thomas J. Stanley ("Stanley"), hereinafter collectively referred to as "Respondents": Gregory G. Wille, Esq. and John Mabee, Esq. of the firm Wille, Gregory & Lundeen located in Milwaukee, Wisconsin

**CASE INFORMATION**

Statement of Claim filed (on or about): April 24, 2001

Claimant signed the Uniform Submission Agreement: April 10, 2001

Statement of Answer filed by Respondents, on or about: June 19, 2001

Respondent, Baird & Company, signed the Uniform Submission Agreement: May 01, 2001

Respondent, Stanley, signed the Uniform Submission Agreement: June 14, 2001

**CASE SUMMARY**

Claimant Pettit asserted the following causes of action: Failure to Follow Instructions; Unsuitability, Misrepresentation and Non-Disclosure; Omission of Facts; Breach of Fiduciary Duty; Negligence; and Failure to Supervise.

The causes of action relate to the handling of Claimant's Margin Account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Failure to allege specific relevant facts sufficient to state a claim on which relief or award can be granted; Assumption of Risk; Estoppel; Contributory Negligence; and Failure to Mitigate.

**RELIEF REQUESTED**

Claimant requested:

Compensatory Damages	\$141,000.00
Punitive Damages	\$141,000.00
Attorneys' Fees	Determined at Hearing
Other Costs	Determined at Hearing

Respondents requested:

Attorneys' Fees	Determined at Hearing
Other Costs	Determined at Hearing
Other Monetary/Non-Monetary Relief if any:	Dismissal of Claim and Expungement of Respondent Stanley's CRD Record

**OTHER ISSUES CONSIDERED AND DECIDED**

On May 28, 2002, the parties agreed to pay the panel for an additional hearing session.

**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:

1. Respondents Robert W. Baird & Company, Inc. and Thomas J. Stanley are jointly and severally liable for and shall pay to Claimant Roland G. Pettit one dollar and no cents (\$1.00) as compensatory damages;
2. Respondents Robert W. Baird & Company, Inc. and Thomas J. Stanley are jointly and severally liable for and shall pay to Claimant Roland G. Pettit five thousand dollars and no cents (\$5,000.00) as attorney's fees. Upon review of the parties arguments and submissions, the panel determined that authority exists for an award of attorney's fees;
3. Respondents Robert W. Baird & Company, Inc. and Thomas J. Stanley are jointly and severally liable for and shall pay to Claimant Roland G. Pettit three hundred dollars and no cents (\$300.00) as reimbursement of the Claimant's filing fee pursuant to 10332(c) of the NASD Code of Arbitration Procedure;
4. Parties shall bear their own costs not address herein; and
5. Any and all relief not specifically addressed herein, including punitive damages, is 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

**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. Robert W. Baird & Company, Inc. is a party.

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

**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 Panel at \$1,125.00	= \$1,125.00
Pre-hearing conference: January 16, 2002 1 session	
Four (4) Hearing sessions at \$1,125.00	= \$4,500.00
Hearing Dates: May 29, 2002 2 sessions	
May 30, 2002 2 sessions	
<b>Total Forum Fees</b>	<b>= \$5,625.00</b>

The Panel has assessed \$5,625.00 of the forum fees jointly and severally to Robert W. Baird & Company, Inc. and Thomas J. Stanley.

**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.

Additional Honorarium:	= \$675.00
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The Panel has assessed the \$675.00 additional honorarium, jointly and severally, to Robert W. Baird & Company, Inc. and Thomas J. Stanley pursuant to party agreement.

**Fee Summary**

1. Claimant, Roland G. Pettit, is solely liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$1,425.00
Refund Due from NASD Dispute Resolution, Inc.	= \$1,125.00

2. Respondent, Robert W. Baird & Company, Inc. is solely liable for:

Member Fees	= \$ 4,600.00
Less payments	= \$ 2,700.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,900.00

3. Respondents, Robert W. Baird & Company, Inc. and Thomas J. Stanley, are jointly and severally liable for:

Forum Fee	= \$5,625.00
Administrative Costs	= \$ 675.00
Balance Due NASD Dispute Resolution, Inc.	= \$6,300.00

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

**ARBITRATION PANEL**

Hon. Michael S. Jordan	-	Public Arbitrator, Presiding Chairperson
Prof. Joseph D. Vu	-	Public Arbitrator
Dwight R. Erskine, II, CFP	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/ Michael S. Jordan

06/05/02

Hon. Michael S. Jordan  
Public Arbitrator, Presiding Chairperson

Signature Date

/s/ Joseph Vu

06/06/02

Prof. Joseph D. Vu  
Public Arbitrator

Signature Date

/s/ Dwight R. Erskine

06/05/02

Dwight R. Erskine, II, CFP  
Non-Public Arbitrator

Signature Date

06/19/02

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

NASD Dispute Resolution, Inc.  
Arbitration No. «casenumber»  
Award Page 4 of 4

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|--|----------------------|
| 2. Respondent, Robert W. Baird & Company, Inc. is solely liable for: -                                       |                      |
| Member Fees  | = \$ 4,600.00        |
| <u>Less payments</u>   | <u>= \$ 2,700.00</u> |
| Balance Due NASD Dispute Resolution, Inc.  | = \$ 1,900.00        |
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Hon. Michael S. Jordan  
Public Arbitrator, Presiding Chairperson

6/5/02  
Signature Date

**Prof. Joseph D. Vu**  
Public Arbitrator

**Signature Date**

**Dwight R. Erskine, II, CFP**  
Non-Public Arbitrator

**Signature Date**

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NASD Dispute Resolution, Inc.  
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Award Page 4 of 4

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Public Arbitrator, Presiding Chairperson

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Signature Date

\_\_\_\_\_  
Prof. Joseph D. Vu  
Public Arbitrator

*Joseph Vu*, 6-6-02  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Dwight R. Erskine, II, CFP  
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Prof. Joseph D. Vu	-	Public Arbitrator
Dwight R. Erskine, II, CFP	-	Non-Public Arbitrator

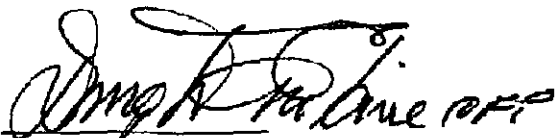
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Hon. Michael S. Jordan  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

Prof. Joseph D. Vu  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
Dwight R. Erskine, II, CFP  
Non-Public Arbitrator

JUNE 5, 2002  
Signature Date

\_\_\_\_\_  
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