

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimants

Case Number: 02-04671

Kelly Ann M. Royston
Daniel McGinniss as Trustee of the Kelly A. Royston Trust
Kelly Ann M. Royston IRA

Name of the Respondents

Hearing Site: Washington, DC

Robert W. Baird & Co.
Christopher G. Didier
Matt Montalbano

Nature of the Dispute: Customer vs. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimants, Kelly Ann M. Royston ("Royston"); Daniel McGinniss as Trustee of the Kelly A Royston Trust (the "Trust"), and Kelly Ann M. Royston IRA ("Royston IRA"), hereinafter collectively referred to as "Claimants", were represented by Charles W. Austin, Jr., Esq., Attorney at Law, Richmond, Virginia.

Respondents, Robert W. Baird & Co. ("R. W. Baird"), Christopher G. Didier ("Didier") and Matt Montalbano ("Montalbano"), hereinafter collectively referred to as "Respondents", were represented by Gregory G. Wille, Esq., Wille, Gregory & Lundeen, Milwaukee, Wisconsin.

CASE INFORMATION

Statement of Claim filed on August 6, 2002.

Claimants signed the Uniform Submission Agreement on or about August 6, 2002.

Joint Statement of Answer filed by Respondents on November 14, 2002.

A representative of R.W. Baird signed the Uniform Submission Agreement on September 25, 2002.

Didier signed the Uniform Submission Agreement on November 1, 2002.

Montalbano signed the Uniform Submission Agreement on November 1, 2002.

CASE SUMMARY

Claimants asserted the following causes of action, among others: breach of contract; breach of fiduciary duty; suitability; and, gross negligence. The causes of action relate to the failure to liquidate Tellabs stock as outlined in the "Financial Plan"; and, failure to implement the agreed-upon asset allocation in that plan.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: contributory negligence; estoppel; waiver and ratification; and, failure to mitigate.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$188,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

In their Statement of Answer, Respondents requested that all claims be dismissed and that they be awarded all costs and forum fees.

OTHER ISSUES CONSIDERED AND DECIDED

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

1. Respondents R.W. Baird and Didier are jointly and severally liable to and shall pay to Claimant Kelly Ann M. Royston damages in the amount of fifty eight thousand four hundred and fifty five dollars and eighty four cents (\$58,455.84);
2. All claims for interest and costs are denied in their entirety;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,

4. 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 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, R. W. Baird is a party.

Member surcharge = \$ 1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 2,750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 @ \$450.00 = \$ 450.00

Pre-hearing conference: October 20, 2003 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$ 1,125.00

Pre-hearing conference(s): April 23, 2003 1 session

Nine (9) Hearing sessions @ \$1,125.00 = \$10,125.00

Hearing Dates: November 11, 2003 2 sessions

November 12, 2003 2 sessions

November 13, 2003 2 sessions

Total Forum Fees = \$11,700.00

1. The Panel has assessed \$5,850.00 of the forum fees jointly and severally to Claimants Kelly Ann M. Royston and the Kelly A. Royston Trust.
2. The Panel has assessed \$5,850.00 of the forum fees jointly and severally to Respondents R.W. Baird and Didier.

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.

1. Claimant Kelly Ann M. Royston requested courier service = \$35.09
on November 12, 2003

Fee Summary

1. Claimants are jointly and severally assessed:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 5,850.00
<u>Administrative Costs</u>	<u>= \$ 35.09</u>
Total Fees	= \$ 6,185.09
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,760.09

2. Respondent R.W. Baird is assessed:

<u>Member Fees</u>	<u>= \$ 5,200.00</u>
Total Fees	= \$ 5,200.00
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

4. Respondents are jointly and severally assessed:

<u>Forum Fees</u>	<u>= \$5,850.00</u>
Balance Due NASD Dispute Resolution	= \$5,850.00


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

ARBITRATION PANEL

Alan S. Carmel, Esq.	-	Public Arbitrator, Presiding Chairperson
Janet Stern Solomon	-	Public Arbitrator, Panelist
Walter Peterson, Jr.	-	Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures


Alan S. Carmel, Esq.
Public Arbitrator, Presiding Chairperson

12/3/03
Signature Date

Janet Stern Solomon
Public Arbitrator, Panelist

Signature Date

Walter Peterson, Jr.
Non-Public Arbitrator, Panelist

Signature Date

12/03/03
Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures

Alan S. Cannel, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Janet Stern Solomon
Public Arbitrator, Panelist

Signature Date


Walter Peterson, Jr.
Non-Public Arbitrator, Panelist

11/28/03
Signature Date

12/03/03
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Alan S. Carmel, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Janet Stern Solomon
Janet Stern Solomon
Public Arbitrator, Panelist

12-1-03
Signature Date

Walter Peterson, Jr.
Non-Public Arbitrator, Panelist

Signature Date

12/03/03
Date of Service (For NASD Dispute Resolution office use only)