

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Robert S. Treece

v.

02-05325
Denver, Colorado

Respondents

Wells Fargo and Company,
Wells Fargo Securities, Inc.,
Wells Fargo Investments, LLC,
Wells Fargo Brokerage Services, LLC,
Dennis D. Thonvold and
Tanya R. Mathews

Nature of Dispute: Customer v. Members, Non-Members and Associated Persons

REPRESENTATION OF PARTIES

Robert S. Treece ("Claimant") was represented by Gerald L. Bader, Jr., Esq., of Bader & Associates, LLC, Denver, Colorado.

Wells Fargo and Company ("Wells Fargo and Company"), Wells Fargo Securities, Inc. ("Wells Fargo Securities, Inc."), Wells Fargo Investments, LLC ("Wells Fargo Investments, LLC"), Wells Fargo Brokerage Services, LLC ("Wells Fargo Brokerage Services, LLC"), Dennis D. Thonvold ("Thonvold") and Tanya R. Mathews ("Mathews"), hereinafter referred to as Respondents, were represented by Colin A. Walker, Esq., of Fairfield & Woods, P.C., Denver, Colorado.

CASE INFORMATION

The Statement of Claim was filed on or about September 6, 2002. Submission Agreement of Claimant was signed on or about August 28, 2002.

A Joint Statement of Answer was filed by Respondents Wells Fargo and Company, Wells Fargo Securities, Inc., Wells Fargo Investments, LLC, Wells Fargo Brokerage Services, LLC Dennis D. Thonvold and Tanya R. Mathews on or about November 1, 2002. Submission Agreement of Respondent Wells Fargo Investments, LLC was signed on or about October 14, 2002. Submission Agreement of Respondent Dennis D. Thonvold was signed on or about October 18, 2002. Submission Agreement of Respondent Tanya R. Mathews was signed on or about October 19, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, negligence, breach of fiduciary duty, negligent supervision, negligent misrepresentation, violations of federal and state securities laws and respondeat superior. The causes of action related to Claimant's allegation that he directed Respondents to move his holdings, which had been primarily in the stock market, to U.S. Treasury Securities and money market accounts. Claimant alleged that despite several attempts, both oral and written, his instructions were not timely followed and, as a result, Claimant alleged that his portfolio declined in value.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimant failed to state a claim upon which relief may be granted; Claimant knew and understood the risks associated with the investments made in the account and represented himself as willing and able to assume those risks; Claimant claims are barred or reduced by the doctrines of estoppel, waiver, laches, assumption and acceptance of the risk of loss; Claimant is barred from recovery because he authorized, approved of and/or ratified all transactions complained of; and any injury or loss to Claimant was the result of superceding or intervening causes beyond the control of Respondents.

RELIEF REQUESTED

Claimant requested an award in the amount not less than \$100,000 in actual damages. In addition, Claimant requested \$100,000 in punitive damages, interest, costs, attorney's fees, and any other relief that the Panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondents Mathews and Thonvold asked for an expungement of this matter from their regulatory records maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Respondents Wells Fargo and Company, Wells Fargo Securities, Inc. and Wells Fargo Brokerage Services, LLC, did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but are required to submit to arbitration pursuant to the Code and having answered the claim, appeared and testified through counsel at the hearing are bound by the determination of the Panel on all issues submitted.

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. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, post-hearing submissions, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Wells Fargo Company, Wells Fargo Investments, LLC and Wells Fargo Securities, Inc., are jointly and severally liable for and shall pay to Claimant, Robert S. Treece, the sum of Sixty Two Thousand Six Hundred and Ninety One Dollars and Thirty Six Cents (\$62,691.36) in compensatory damages;
2. Respondents, Wells Fargo and Company, Wells Fargo Investments, LLC and Wells Fargo Securities, Inc., are jointly and severally liable for and shall pay to Claimant, Robert S. Treece, interest on the above-stated sum at the rate of 8% per annum from and including the date of service of the Award, through and including the date this Award is paid in full pursuant to C.R.S. § 11-51-501;
3. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, including punitive damages, are denied with prejudice and;
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee 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 firms that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firms are Wells Fargo Investments, LLC and Wells Fargo Brokerage Services, LLC.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 x \$ 1,125.00	= \$ 1,125.00
Pre-hearing conference: 02/19/2003 1 session	
Four (4) Hearing sessions with Panel x \$ 1,125.00	= \$ 4,500.00
Hearing Dates: 11/11/2003 2 sessions	
11/12/2003 2 sessions	
Total Forum Fees	= \$ 5,625.00

The Arbitration Panel has assessed \$ 2,812.50 of the forum fees to Robert S. Treece

The Arbitration Panel has assessed \$ 2,812.50 of the forum fees jointly and severally to Wells Fargo and Company, Wells Fargo Securities, Inc., Wells Fargo Investments, LLC, Wells Fargo Brokerage Services, LLC, Dennis D. Thonvold, and Tanya R. Mathews.

Fee Summary

Claimant, Robert S. Treece is liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 2,812.50</u>
Total Fees	= \$ 3,112.50
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent, Wells Fargo Investments, LLC, is liable for:

<u>Member Fees</u>	= \$ 5,200.00
<u>Total Fees</u>	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Wells Fargo Brokerage Services, LLC, is liable for:

<u>Member Fees</u>	= \$ 5,200.00
<u>Total Fees</u>	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, Wells Fargo and Company, Wells Fargo Securities, Inc., Wells Fargo Investments, LLC, Wells Fargo Brokerage Services, LLC, Dennis D. Thonvold, and Tanya R. Mathews are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 2,812.50
<u>Total Fees</u>	= \$ 2,812.50
<u>Less payments</u>	= \$ 2,450.00
Balance Due NASD Dispute Resolution	= \$ 362.50

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Gilbert L. McSwain, Esq. - Public Arbitrator, Presiding Chair
Gilbert M. Roman - Public Arbitrator
Gerald K. Moore- Non-Public Arbitrator

Concurring Arbitrators:

Gilbert L. McSwain, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gilbert M. Roman
Public Arbitrator

Signature Date

Gerald K. Moore
Non-Public Arbitrator

Signature Date

12/24/03
Date of Service (NASD use only)

ARBITRATION PANEL

Gilbert L. McSwain, Esq. - Public Arbitrator, Presiding Chair
Gilbert M. Roman - Public Arbitrator
Gerald K. Moore - Non-Public Arbitrator

Concurring Arbitrator:


Gilbert L. McSwain, Esq.
Public Arbitrator, Presiding Chair

12-19-03
Signature Date

Gilbert M. Roman
Public Arbitrator

Signature Date

Gerald K. Moore
Non-Public Arbitrator

Signature Date

12/24/03
Date of Service (NASD use only)


ARBITRATION PANEL

Gilbert L. McSwain, Esq. - Public Arbitrator, Presiding Chair
Gilbert M. Roman - Public Arbitrator
Gerald K. Moore - Non-Public Arbitrator

Concurring Arbitrators:

Gilbert L. McSwain, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Gilbert M. Roman
Public Arbitrator

12-18-03
Signature Date

Gerald K. Moore
Non-Public Arbitrator

Signature Date

12/24/03

Date of Service (NASD use only)

ARBITRATION PANEL

Gilbert L. McSwain, Esq. - Public Arbitrator, Presiding Chair
Gilbert M. Roman - Public Arbitrator
Gerald K. Moore - Non-Public Arbitrator

Concurring Arbitrators:

Gilbert L. McSwain, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gilbert M. Roman
Public Arbitrator

Signature Date


Gerald K. Moore
Non-Public Arbitrator

12-22-03
Signature Date

12/24/03
Date of Service (NASD use only)