

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Names of Claimants

Jimmy Weidner, Fred Weidner,  
Melvin Bass, Individually and as Custodian  
for Justin W. Rutland Ugma, Brittany  
Rutland Ugma, Brandon Myers Ugma, Amanda  
Myers Ugma, Leon Gurka, Ladoskka  
Gurka, Individually and on behalf of her IRA,  
and Joseph and Regina Gurka, Individually  
and on behalf of their IRAs

and

Case Number: 03-04713  
Hearing Site: Houston, Texas

Names of Respondents

AXA Advisors, LLC,  
Wells Fargo Brokerage Services,  
Wells Fargo Investments, LLC, and  
Greg L. Patterson

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**NATURE OF DISPUTE**

Customers v. Member Firms and Associated Person

**REPRESENTATION OF PARTIES**

Jimmy Weidner, Fred Weidner, Melvin Bass, Individually and as Custodian for Justin W. Rutland Ugma, Brittany Rutland Ugma, Brandon Myers Ugma, Amanda Myers Ugma, Leon Gurka, Ladoska Gurka, Individually and on behalf of her IRA, and Joseph and Regina Gurka, Individually and on behalf of their IRAs ("**Claimants**") were represented by Samuel Edwards, Esq., Shepherd, Smith & Edwards, LLP, Houston, Texas.

AXA Advisors, LLC ("**AXA**") was represented by Thomas Cox, Esq., Miller Canfield, Detroit, Michigan.

Wells Fargo Brokerage Services ("**Wells Fargo Brokerage**"), Wells Fargo Investments, LLC ("**Wells Fargo Investments**"), and Greg Patterson ("**Patterson**"), hereinafter collectively referred to as "Respondents," were represented by Robin Harrison, Esq., Campbell, Harrison & Dagley LLP, Houston, Texas.

### **CASE INFORMATION**

The Statement of Claim was filed on or about June 27, 2003. The Uniform Submission Agreement of Claimants, Jimmy Weidner, Fred Weidner, Melvin Bass, Individually and as Custodian for Justin W. Rutland Ugma, Brittany Rutland Ugma, Brandon Myers Ugma, Amanda Myers Ugma, Leon Gurka, Ladoska Gurka, Individually and on behalf of her IRA, and Joseph and Regina Gurka, Individually and on behalf of their IRAs, was signed on or about April 15, 2003.

The Joint Statement of Answer was filed by Respondents, Wells Fargo Brokerage Services, Wells Fargo Investments LLC and Greg Patterson, on or about October 7, 2003. The Uniform Submission Agreement of Respondent, Wells Fargo Brokerage Services and Wells Fargo Investments, were signed on or about August 11, 2003. The Uniform Submission Agreement of Respondent, Greg Patterson, was filed on or about October 1, 2003.

The Statement of Answer was filed by Respondent, AXA Advisors, LLC, on or about October 17, 2003. The Uniform Submission Agreement of Respondent, AXA Advisors, LLC, was signed on or about September 3, 2003.

### **CASE SUMMARY**

Claimants asserted the following causes of action: misrepresentations, failure to supervise, negligence, suitability, breach of fiduciary duty and violation of state and federal securities laws. The causes of action related to Claimants' purchases of mutual funds, common stock, variable life annuities, and variable annuities from or through Respondents.

Respondents, Wells Fargo Brokerage Services, Wells Fargo Investments, LLC and Greg Patterson, denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: lack of standing with respect to certain claims; assumption of risk; intervening cause; failure to perform conditions precedent to claims; limitations; contributory negligence; ratification and estoppel.

### **RELIEF REQUESTED**

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$1,000,000.00
Punitive/Exemplary Damages	Unspecified
Interest	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

**Attorneys' Fees**

**Unspecified**

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondent Patterson requested expungement of all reference to this matter from his CRD.

**OTHER ISSUES CONSIDERED & DECIDED**

Claimants dismissed with prejudice all claims and allegations asserted in this proceeding against Respondent, Greg L. Patterson, on August 23, 2004.

All Claimants and Respondents, AXA Advisors, LLC, Wells Fargo Brokerage Services, LLC and Wells Fargo Investments, LLC, have advised NASD that all claims and disputes among the parties have been fully settled. In connection therewith, Claimants, Jimmy Weidner, Fred Weidner, Melvin Bass, Leon Gurka, Ladoska Gurka, Joseph Gurka and Regina Gurka, dismissed with prejudice all claims against Respondents, AXA Advisors, LLC, Wells Fargo Brokerage Services, Inc. and Wells Fargo Investments, LLC.

Further, the claims, allegations or information which formed the basis of this proceeding and Claimants' claims against Greg L. Patterson are stipulated by Claimants to be clearly erroneous.

The parties have agreed that a single arbitrator may execute the Stipulated Award. The parties have agreed to receive conformed copies of the award while the original remains on file with the NASD Dispute Resolution ("NASD").

**AWARD**

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrator orders as follows:

- 1.) Claimants' claims against Respondent, Greg L. Patterson, are dismissed with prejudice;
- 2.) Claimants' claims against AXA Advisors, LLC, Wells Fargo Brokerage Services, LLC, Wells Fargo Investments, LLC, are dismissed with prejudice pursuant to the parties settlement agreement;
- 3.) The panel recommends the expungement, of all references to the above captioned arbitration from Respondent, Greg L. Patterson's, registration record maintained by NASD Central Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent, Greg L. Patterson, must obtain confirmation from a

court of competent jurisdiction before the CRD will execute the expungement directive;

- 4.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 5.) Any and all relief not specifically addressed herein, including attorneys' fees and costs is denied and all claims are dismissed with prejudice.

### **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 = \$ 375.00

#### **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 person at the time of the events giving rise to the dispute. In this matter, the member firms are AXA Advisors, LLC, Wells Fargo Brokerage Services and Wells Fargo Investments LLC.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

#### **Adjournment Fees**

Adjournments granted during these proceedings:  
August 2-6, 2004, adjournment requested jointly by the parties = \$1,200.00

#### **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 \$1,200.00	= \$1,200.00
Pre-hearing conference: February 25, 2004 1 session	
Total Forum Fees	= \$1,200.00

The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to Jimmy Weidner, Fred Weidner, Melvin Bass, Individually and as Custodian for Justin W. Rutland Ugman, Brittany Rutland Ugma, Brandon Myers Ugma, Amanda Myers Ugma, Leon Gurka, Ladoska Gurka, Individually and on behalf of her IRA, and Joseph and Gregina Gurka.

The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to AXA Advisors, LLC, Wells Fargo Brokerage Services, Wells Fargo Investments and Greg L. Patterson.

### **Fee Summary**

Claimants, Jimmy Weidner, Fred Weidner, Melvin Bass, Individually and as Custodian for Justin W. Rutland Ugman, Brittany Rutland Ugma, Brandon Myers Ugma, Amanda Myers Ugma, Leon Gurka, Ladoska Gurka, Individually and on behalf of her IRA, and Joseph and Gregina Gurka, are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 300.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 1,275.00
Less payments	= \$ 1,975.00
Balance Refunded to Claimants	= \$ 700.00

Respondent, AXA Advisors, LLC, is liable for:

Member Fees	= \$ 7,000.00
Adjournment Fee	= \$ 300.00
Total Fees	= \$ 7,300.00
Less payments	= \$ 7,300.00
Balance Due NASD Dispute Resolution	= \$ .00

Respondent, Wells Fargo Brokerage Services, is liable for:

Member Fees	= \$ 7,000.00
Adjournment Fee	= \$ 300.00
Total Fees	= \$ 7,300.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 300.00

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

Member Fees	= \$ 7,000.00
Adjournment Fee	= \$ 300.00
Total Fees	= \$ 7,300.00
Less payments	= \$ 7,300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, AXA Advisors, LLC, Wells Fargo Brokerage Services, Wells Fargo Investments, LLC and Greg L. Patterson, are jointly and severally liable for:

Forum Fees	= \$	600.00
Total Fees	= \$	600.00
Less Payments	= \$	600.00
Balance Due NASD Dispute Resolution	= \$	0.00

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

**ARBITRATOR**

Donald Eckhardt, Esq. - Public Arbitrator, Presiding Chair

Concurring Arbitrator:

/s/ Donald Eckhardt, Esq.  
Donald Eckhardt, Esq.  
Public Arbitrator, Presiding Chair

December 15, 2004  
Signature Date

December 16, 2004  
Date of Service (For NASD office use only)

Respondents, AXA Advisors, LLC, Wells Fargo Brokerage Services, Wells Fargo Investments, LLC and Greg L. Patterson, are jointly and severally liable for:

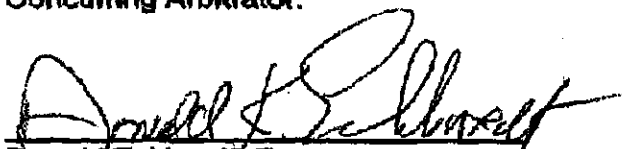
Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less Payments	= \$ 600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

**ARBITRATOR**

Donald Eckhardt, Esq. - Public Arbitrator, Presiding Chair

Concurring Arbitrator:



Donald Eckhardt, Esq.  
Public Arbitrator, Presiding Chair

12/15/04  
Signature Date

                      
Date of Service (For NASD office use only)