

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Lee Nordstrom and Lee Nordstrom IRA, Claimants v. Wachovia Securities, LLC, Robert W. Baird & Co. Incorporated, and Alan A. Gildenberg, Respondents

Case Number: 03-09118

Hearing Site: Seattle, Washington

Nature of the Dispute: Customer v. Members and Associated Person

REPRESENTATION OF PARTIES

For Claimants Lee Nordstrom and Lee Nordstrom IRA:

Philip D. Sever, Esq.
Cohen & Malad, LLP
Indianapolis, Indiana

Ronald E. Miller
Loss Recovery Center
Incline Village, Nevada

For Respondent Wachovia Securities, LLC:

Ronald Kane, Esq.
Kane & Fischer, Ltd.
Chicago, Illinois

For Respondent Robert W. Baird & Co. Incorporated:

Gregory G. Wille, Esq.
Wille, Gregory & Lundeen,
LLP
Milwaukee, Wisconsin

For Respondent Alan A. Gildenberg:

Mark R. Bendure, Esq.
Bendure & Thomas
Detroit, Michigan

CASE INFORMATION

Statement of Claim filed: December 24, 2003

Claimants' Joint Uniform Submission Agreement signed: December 11, 2003

Statement of Answer filed by Respondent Robert W. Baird & Co. Incorporated: March 15, 2004

Respondent Robert W. Baird & Co. Incorporated's Uniform Submission Agreement signed:
January 2, 2004

Joint Statement of Answer filed by Respondents Wachovia Securities, LLC and Alan A. Gildenberg: March 18, 2004

Uniform Submission Agreement signed by Respondent Wachovia Securities, LLC: March 17, 2004

Uniform Submission Agreement signed by Respondent Alan A. Gildenberg: March 18, 2004

CASE SUMMARY

Claimants alleged unsuitability, violation of the Securities Exchange Act of 1934 and Rule 10b-5, breach of fiduciary duty, failure to supervise, and respondeat superior. Claimants' allegations involved the purchase of unspecified technology and telecommunication stocks.

Respondent Robert W. Baird & Co. Incorporated denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

Respondents Wachovia Securities, LLC and Alan A. Gildenberg denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested \$700,000.00 in compensatory damages, unspecified punitive damages, pre- and post-judgment interest, disgorgement of Respondents' commissions and compensation, and costs, including attorney's fees.

Respondent Robert W. Baird requested dismissal of Claimants' Statement of Claim in its entirety and costs, including forum fees.

Respondents Wachovia Securities, LLC and Alan A. Gildenberg requested dismissal of Claimants' Statement of Claim in its entirety, and costs, including attorney's fees. Respondent Alan A. Gildenberg also requested that all referenced to the above-captioned matter be expunged from his CRD records.

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.

On July 19, 2005, the parties filed a Stipulation to Dismiss and Expunge the Registered Representative's Record.

AWARD

After considering the pleadings and the parties' request for a Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' withdrawal of their claims is accepted and Respondents are dismissed from this matter with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Alan A. Gildenberg's registration records maintained by NASD's Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Alan A. Gildenberg must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The parties shall bear their respective costs, including attorney's fees.
4. All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 375.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy.

Accordingly, the member firm Robert W. Baird & Co., Incorporated is a party, and the following fees are assessed:

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Accordingly, the member firm Wachovia Securities, LLC is a party, and the following fees are assessed:

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Adjournment Fees

The following adjournment fees are assessed:

April 18 – 22, 2005 adjournment requested by the parties = waived

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

One (1) pre-hearing conference session with a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: February 4, 2005 1 session	
One (1) pre-hearing conference session with the Panel @ \$1,200.00/session	= \$1,200.00
<u>Pre-hearing conference: May 18, 2004 1 session</u>	<u></u>
Total Forum Fees	= \$1,650.00

1. The Panel assessed \$712.50 of the forum fees to Claimants Lee Nordstrom and Lee Nordstrom IRA.
2. The Panel assessed \$112.50 of the forum fees to Respondent Wachovia Securities, LLC.
3. The Panel assessed \$112.50 of the forum fees to Respondent Robert W. Baird & Co. Incorporated.
4. The Panel assessed \$112.50 of the forum fees to Respondent Alan A. Gildenberg.
5. The Panel assessed \$600.00 of the forum fees jointly and severally to Respondents Wachovia Securities, LLC, Robert W. Baird & Co. Incorporated, and Alan A. Gildenberg.

Fee Summary

1. Claimants Lee Nordstrom and Lee Nordstrom IRA are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	= \$ 712.50
Total Fees	= \$ 1,087.50
<u>Less payments</u>	= \$(1,575.00)
Refund Due Claimants	= \$ (487.50)

2. Respondent Wachovia Securities, LLC is charged with the following fees and costs:

Member Fees	= \$ 7,000.00
<u>Forum Fees</u>	= \$ 112.50
Total Fees	= \$ 7,112.50
<u>Less payments</u>	= \$(7,000.00)
<u>Less unused mediation deposit</u>	= \$ (112.50)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondent Robert W. Baird & Co. Incorporated is charged with the following fees and costs:

Member Fees	= \$ 7,000.00
<u>Forum Fees</u>	= \$ 112.50
Total Fees	= \$ 7,112.50
<u>Less payments</u>	= \$(7,000.00)
Balance Due NASD Dispute Resolution	= \$ 112.50

4. Respondent Alan A. Gildenberg is charged with the following fees and costs:

Forum Fees	= \$ 112.50
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 112.50

5. Respondents Wachovia Securities, LLC, Robert W. Baird & Co. Incorporated, and Alan A. Gildenberg are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 600.00
<u>Less Wachovia Securities, LLC's unused mediation deposit</u>	= \$ (600.00)
Balance Due NASD Dispute Resolution	= \$ 0.00


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

ARBITRATION PANEL

James B. Parsons, Esq.
Richard L. Warner, Esq.
Paul A. Maffeo

- *Public Arbitrator, Presiding Chair*
- *Public Arbitrator*
- *Non-Public Arbitrator*

Concurring Arbitrators' Signatures


James B. Parsons, Esq.
Chair, Public Arbitrator

7/27/05
Signature Date

Richard L. Warner, Esq.
Public Arbitrator

Signature Date

Paul A. Maffeo
Non-Public Arbitrator

Signature Date

7/28/05
Date of Service

ARBITRATION PANEL

James B. Parsons, Esq.
Richard L. Warner, Esq.
Paul A. Maffeo

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-
-

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Public Arbitrator
Non-Public Arbitrator

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Non-Public Arbitrator

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Richard L. Warner, Esq.
Public Arbitrator

Signature Date

Paul A. Maffeo

Paul A. Maffeo
Non-Public Arbitrator

July 28 2005

Signature Date

7/28/05

Date of Service