

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimants

Anne F. Dechant, individually and as
Trustee of the Anne F. Dechant Trust

v.

04-00230
Denver, Colorado

Respondents

Wells Fargo Investments, LLC
and Judith Ann Stevens

Nature of Dispute: Customers v. Member and Associated Person

REPRESENTATION OF PARTIES

Anne F. Dechant, individually and as Trustee of the Anne F. Dechant Trust ("Claimants") were represented by Adam P. Stapen, Esq., of Dill Dill Carr Stonebreaker & Hutchings, P.C., Denver, Colorado.

Wells Fargo Investments, LLC ("Wells Fargo") and Judith Ann Stevens ("Stevens"), hereinafter referred to as "Respondents" were represented by Tamara A. Hoffbuhr, Esq., of Fairfield & Woods, P.C., Denver, Colorado.

CASE INFORMATION

The Statement of Claim was filed on or about December 26, 2003. The Submission Agreement of Claimants was signed on or about December 26, 2003.

The Statement of Answer was filed jointly by Respondents, Wells Fargo Investments, LLC and Judith Ann Stevens, on or about April 4, 2004. The Submission Agreement of Respondent, Wells Fargo Investments, LLC, was signed on or about March 29, 2004. The Submission Agreement of Respondent, Judith Ann Stevens, was signed on or about April 19, 2004.

CASE SUMMARY

Claimants asserted causes of action including the following: breach of fiduciary duty; respondeat superior; negligent misrepresentation; professional negligence; violation of the Colorado Securities Act; violation of the Securities Exchange Act of 1934, Rule 10b-5; common law fraud, breach of contract and failure to supervise. The causes of action related to Claimants' allegation that Respondents recommended unsuitable mutual funds including Delaware Select Group Fund B,

Delaware Growth Trend Fund B, Delaware Technology & Innovation Fund B, VK Internet UIT and VK Biotech and Pharmaceutical UIT. Claimants alleged that Respondents recommended these unsuitable investments and premised the recommendations on false manipulative and misleading information by altering Claimants' stated investment objectives and net worth. Claimants also stated that Respondents did not recommend the sale of these investments after the value decreased nor did they disclose the risks of investing in term mutual funds as opposed to non-term mutual funds.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimants were negligent or contributory negligent, and their comparative negligence equals or exceeds that of Respondents, if any, and therefore reduces any recovery by Claimants from Respondents; to the extent that Claimants incurred financial losses, if any, such losses were caused or contributed to by Claimants, or by factors, economic conditions, market conditions or circumstances that were entirely beyond the control of Respondents; some or all of Claimants' claims are barred by the equitable doctrines of assumption of risk, waiver, laches, estoppel and ratification; Respondents acted in compliance with all applicable rules and regulations in good faith, and Claimants' transactions were appropriately entered into and confirmed in accordance with industry standards and legal and regulatory requirements; and Respondents did not breach any fiduciary duty, make any misrepresentations or omit to state any material facts to Claimants.

RELIEF REQUESTED

Claimants requested an award of \$150,000 in compensatory damages, plus \$50,000 in punitive damages, interest, costs, attorneys' fees and any other relief that panel deemed just and proper.

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, Respondent, Judith Ann Stevens, requested that the panel expunge any and all references of this matter from her permanent registration record maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

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, 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. Claimants' claims, each and all, are hereby denied and dismissed with prejudice in their entirety;
2. 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 and expungement, are denied with prejudice; and
3. 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
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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. In this matter, the member firm is Wells Fargo Investments, LLC.

Member surcharge	= \$ 1,700
Pre-hearing process fee	= \$ 750
Hearing process fee	= \$ 2,750

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 = \$ 1,125

Pre-hearing conference: 07/08/2004 1 session

Seven (7) Hearing sessions with Panel x \$ 1,125 = \$ 7,875

Hearing Dates: 03/08/2005 2 sessions
03/09/2005 3 sessions
03/10/2005 2 sessions

Total Forum Fees = \$ 9,000

The Arbitration Panel has assessed \$ 9,000 of the forum fees jointly and severally to Wells Fargo Investments, LLC and Judith Ann Stevens.

FEE SUMMARY

Claimants, Anne F. Dechant, individually and as Trustee of the Anne F. Dechant Trust, are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300
<u>Total Fees</u>	= \$ 300
<u>Less payments</u>	= \$ 1,425
<u>Balance Refunded By NASD Dispute Resolution</u>	= \$ 1,125

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

<u>Member Fees</u>	= \$ 5,200
<u>Total Fees</u>	= \$ 5,200
<u>Less payments</u>	= \$ 5,200
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0

Respondents, Wells Fargo Investments, LLC and Judith Ann Stevens, are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 9,000
<u>Total Fees</u>	= \$ 9,000
<u>Less payments</u>	= \$ 0
<u>Balance Due NASD Dispute Resolution</u>	= \$ 9,000

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

ARBITRATION PANEL

Bruce W. Brady, CPA - Public Arbitrator, Presiding Chair
Dom Alecci - Public Arbitrator
Charles F. Brega, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Bruce W. Brady, CPA
Public Arbitrator, Presiding Chair

Signature Date

Dom Alecci
Public Arbitrator

Signature Date

Charles F. Brega, Esq.
Non-Public Arbitrator

Signature Date

3/17/05
Date of Service (NASD use only)


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Arbitration No. 04-00230
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ARBITRATION PANEL

Bruce W. Brady, CPA - Public Arbitrator, Presiding Chair
Dom Alecci - Public Arbitrator
Charles F. Braga, Esq. - Non-Public Arbitrator

Concurring Arbitrators:


Bruce W. Brady, CPA
Public Arbitrator, Presiding Chair

3/16/05
Signature Date


Dom Alecci
Public Arbitrator


Signature Date


Charles F. Braga, Esq.
Non-Public Arbitrator


Signature Date

2/17/05
Date of Service (NASD use only)

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Arbitration No. 04-00230
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Dom Alecci - Public Arbitrator
Charles F. Brega, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Bruce W. Brady, CPA
Public Arbitrator, Presiding Chair

Signature Date



Dom Alecci
Public Arbitrator

3/15/2005

Signature Date

Charles F. Brega, Esq.
Non-Public Arbitrator

Signature Date

3/17/05

Date of Service (NASD use only)

NASD Dispute Resolution
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Concurring Arbitrators:

Bruce W. Brady, CPA
Public Arbitrator, Presiding Chair

Signature Date

Dom Alecci
Public Arbitrator

Signature Date



Charles F. Brega, Esq.
Non-Public Arbitrator

3/15/05

Signature Date

2/17/05

Date of Service (NASD use only)