

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

The Kless Family Trust, Claimant v. Dwight A. Matheson and Wachovia Securities, Inc. n/k/a Wachovia Securities, LLC, Respondents

Case Number: 04-01019

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

George S. Wass, Esq.
Law Office of George S. Wass
Palm Springs, California

For Respondents:

Sean D. Muntz, Esq.
Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed: February 16, 2004

Claimant's Uniform Submission Agreement signed: February 13, 2004

Joint Statement of Answer filed by Respondents: May 4, 2004

Respondent Dwight A. Matheson's Uniform Submission Agreement signed: April 30, 2004

Respondent Wachovia Securities, Inc. n/k/a Wachovia Securities, LLC's Uniform Submission Agreement signed: May 3, 2004

CASE SUMMARY

Claimant alleged breach of contract, negligence, failure to execute, breach of fiduciary duty and failure to supervise, involving transactions in unspecified preferred stock.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$8,599.55 in compensatory damages and costs.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On March 28, 2004, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the *NASD Code of Arbitration Procedure* ("Code") IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

The parties have entered into a confidential settlement agreement pursuant to which Claimant has agreed to dismiss all claims with prejudice. All claims against Respondents are dismissed with prejudice.

The parties agreed that a handwritten, signed Stipulated Award may be entered.

AWARD

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

1. The Arbitrator acknowledges the parties' confidential settlement.
2. Each of Claimant's claims asserted against Respondents is dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Dwight A. Matheson's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Dwight A. Matheson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. Each party shall be responsible to pay its own fees.
5. 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 = \$ 75.00

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 Wachovia Securities, Inc. n/k/a Wachovia Securities, LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 325.00
Total Member Fees	= \$ 325.00

Adjournment Fees

The following adjournment fees are assessed:

October 19-20, 2004, adjournment requested by all 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 Arbitrator. The following fees are assessed:

Three (3) Pre-hearing conference sessions with arbitrator @ \$250.00/session	= \$ 750.00
Pre-hearing conferences:	
June 29, 2004	1 session
July 13, 2004	1 session
July 23, 2004	1 session

Total Forum Fees	= \$ 750.00
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1. The Panel assessed \$375.00 of the forum fees to Claimant.
2. The Panel assessed \$375.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant The Kless Family Trust is charged with the following fees and costs:

Initial Filing Fee	= \$ 75.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 450.00
<u>Less payments</u>	<u>= \$(575.00)</u>
Refund due Claimant	= \$(125.00)

2. Respondent Wachovia Securities, Inc. n/k/a Wachovia Securities, LLC is charged with the following fees and costs:

Member Fees	= \$ 325.00
<u>Less payments</u>	<u>= \$(325.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Dwight A. Matheson and Wachovia Securities, Inc. n/k/a Wachovia Securities, LLC are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 375.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 375.00

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.

NASD Dispute Resolution

Arbitration No. 04-01019

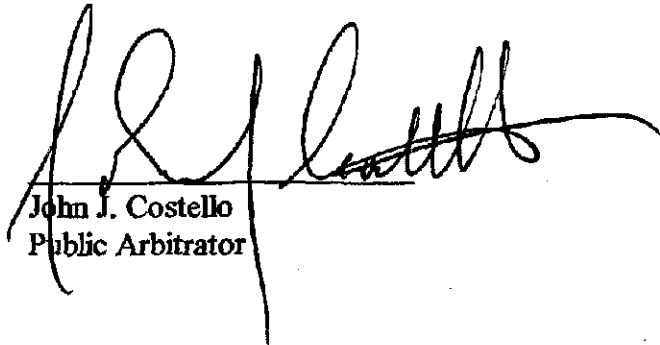
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ARBITRATOR

John J. Costello

- Public Arbitrator

Arbitrator's Signature



John J. Costello
Public Arbitrator

July 13, 2005
Signature Date

7/14/05
Date of Service