

**STIPULATED AWARD  
NASD Dispute Resolution**

---

In the Matter of the Arbitration Between

Claimants

Bruce Wilson and Charlene Wilson

and

Case Number: 04-04822  
Hearing Site: Detroit, Michigan

Respondents

Linsco Private Ledger Corp., and  
Steven P. Groulx

---

**NATURE OF DISPUTE**

Customers v. Member and Associated Person

**REPRESENTATION OF PARTIES**

Bruce Wilson and Charlene Wilson ("Claimants") were represented by Anthony V. Trogan, Law Offices of Anthony V. Trogan, PLLC, West Bloomfield, Michigan.

Linsco Private Ledger Corp. ("LPL") and Steven P. Groulx ("Groulx"), hereinafter collectively referred to as "Respondents," were represented by Bradley J. Schram, Esq., and Brian Witus, Esq., Hertz, Schram & Saretsky, P.C., Bloomfield Hills, Michigan.

**CASE INFORMATION**

The Statement of Claim was filed on or about July 9, 2004. The Submission Agreement of Bruce Wilson and Charlene Wilson was signed on or about June 26, 2004.

The Statement of Answer was filed jointly by Respondents on or about September 24, 2004. The Submission Agreement of Linsco Private Ledger Corp. was signed on or about July 12, 2004 by Stephanie L. Brown, Managing Director and General Counsel. The Submission Agreement of Steven P. Groulx was signed on or about September 27, 2004.

**CASE SUMMARY**

Claimants asserted the following legal theories in support of their recovery: breach of contract, common law fraud, promissory estoppel, negligence, malpractice, breach of fiduciary duty and breach of Michigan securities laws. The causes of action related to Claimants' allegations that Respondents failed to consult Claimants before trading unspecified securities in Claimants' account causing Claimant to incur losses.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various legal and factual defenses to the claims.

### **RELIEF REQUESTED**

Claimants requested:

Compensatory damages	\$ 319,000.00
Punitive/Exemplary Damages	\$ unspecified
Interest	\$ unspecified
Attorneys' Fees	\$ unspecified
Other Costs	\$ unspecified
Other Monetary/Non-Monetary Relief:	\$ unspecified

Respondents requested that the claims asserted against them be dismissed in their entirety and that they be awarded their costs, attorneys' fees, and any further relief the panel deemed appropriate.

### **OTHER ISSUES CONSIDERED & DECIDED**

The panel has been informed that the parties have stipulated and agreed to resolve this matter. However, Respondent Groulx has asked the panel to make specific findings that there were no sales practice violations or wrongdoing or other liability attributable to Respondent Groulx and to enter an award ordering the expungement of any and all reference to the above-captioned claims and arbitration from all registration records of Respondent Groulx maintained by the NASD Central Registration Depository ("CRD").

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 original(s) remain on file with NASD Dispute Resolution ("NASD").

### **AWARD**

After considering the parties' submissions and representations, but without making any conclusions of law, the undersigned arbitrators order as follows:

- 1.) Claimants' claims, having been withdrawn, are dismissed with prejudice;
- 2.) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Steven P. Groulx's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Steven P. Groulx must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative finding of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds;

- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied 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 = \$ 300.00

#### **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 Linsco Private Ledger Corp.

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

#### **Adjournment Fees**

Adjournments requested during these proceedings:

September 13-15, 2005, adjournment by Respondents (fee waived)	= \$ 1,125.00
April 25-27, 2006, adjournment jointly (fee waived)	= \$ 1,125.00

### **Three-Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

The parties requested an adjournment of the April 25-27, 2006  
hearing dates on April 24, 2006. = \$ 300.00

### **Forum Fees and Assessments**

The Panel has assessed forum fees for each hearing session conducted and each decision rendered on a discovery-related motion on the papers. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), 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: November 19, 2004 1 session	
<b>Total Forum Fees</b>	<b>= \$1,125.00</b>

The Arbitration Panel has assessed \$562.50 of the forum fees jointly and severally to Bruce Wilson and Charlene Wilson.

The Arbitration Panel has assessed \$562.50 of the forum fees jointly and severally to Linsco Private Ledger Corp., and Steven P. Groulx.

### **Fee Summary**

Claimants, Bruce Wilson and Charlene Wilson, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
<b>Total Fees</b>	<b>= \$ 862.50</b>
<b>Less payments</b>	<b>= \$ 1,425.00</b>
<b>Refund Due from NASD Dispute Resolution</b>	<b>= \$ 562.50</b>

Respondent, Linsco Private Ledger Corp., is liable for:

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

Respondents, Linsco Private Ledger Corp., and Steven P. Groulx, are jointly and severally liable for:

Three-Day Cancellation Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 562.50</u>
Total Fees	= \$ 862.50
<u>Less payments</u>	<u>= \$ 2,750.00</u>
Refund due from NASD Dispute Resolution	= \$ 1,887.50

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

**ARBITRATION PANEL**

Francis R. Ortiz, Esq. - Public Arbitrator, Presiding Chair  
Matthew W. Schlegel, Esq. - Public Arbitrator  
Lawrence George Kloth, Sr. - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Francis R. Ortiz, Esq.  
Francis R. Ortiz, Esq.  
Public Arbitrator, Presiding Chair

Signature Date

/s/ Matthew W. Schlegel, Esq.  
Matthew W. Schlegel, Esq.  
Public Arbitrator

06/29/06  
Signature Date

/s/ Lawrence George Kloth, Sr.  
Lawrence George Kloth, Sr.  
Non-Public Arbitrator

06/30/06  
Signature Date

07/05/06  
Date of Service (For NASD office use only)

NASD Dispute Resolution  
Arbitration No. 04-04822  
Award Page 5 of 5

Respondents, Linsco Private Ledger Corp., and Steven P. Groulx, are jointly and severally liable for:

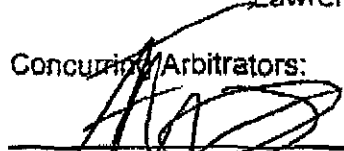
Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 2,750.00
Refund due from NASD Dispute Resolution	= \$ 1,887.50

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

**ARBITRATION PANEL**

Francis R. Ortiz, Esq. - Public Arbitrator, Presiding Chair  
Matthew W. Schlegel, Esq. - Public Arbitrator  
Lawrence George Kloth, Sr. - Non-Public Arbitrator

Concurring Arbitrators:

  
Francis R. Ortiz, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Matthew W. Schlegel, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Lawrence George Kloth, Sr.  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD office use only)