

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Names of Claimants

Eugene J. Gau and Kathleen R. Gau

and

Case Number: 04-06759
Hearing Site: Omaha, Nebraska

Name of Respondent

Gail M. Werner-Robertson

NATURE OF DISPUTE

Customers v. Associated Person

REPRESENTATION OF PARTIES

Eugene J. Gau and Kathleen R. Gau ("**Claimants**") were represented by Rodney K. Vincent, Esq., Vincent Law Offices, Lincoln, Nebraska.

Gail M. Werner-Robertson ("**Werner-Robertson**" or "**Respondent**") was represented by Jeffrey S. Jamieson, Esq., Blackwell, Sanders, Peper, Martin, LLP, St. Louis, Missouri.

CASE INFORMATION

The Statement of Claim was filed on or about August 22, 2003. The Amended Statement of Claim was filed on or about July 29, 2004. The Submission Agreements of Claimants were signed on or about August 20, 2003.

Claimants' Response to Respondent's Motion to Dismiss was filed on or about February 7, 2005.

The Motion to Dismiss, or in the Alternative, Statement of Answer of Respondent was filed on or about January 24, 2005. The Submission Agreement of Respondent was signed on or about November 15, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: violation of the Anti-Fraud Provisions of the Securities Laws of the United States and the State of Nebraska; common law fraud; breach of fiduciary duty; common law negligence; breach of contract; and failure to

supervise. Claimants alleged that Respondent recommended that they purchase IBF-7 notes through misleading and false statements that led them to huge losses.

Unless specifically admitted in her Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimants have failed to adequately plead control person liability; Claimants' claims are barred by the applicable statutes of limitations and equitable principles of law; Claimants' Statement of Claim failed to state a claim upon which relief can be granted; and Claimants' Statement of Claim failed to set forth with sufficient particularity any wrongdoing on the part of Ms. Werner-Robertson, and is deficient under both the group pleadings doctrine and the federal and Nebraska securities laws.

RELIEF REQUESTED

Claimants requested an award in the amount of \$237,493.00 in compensatory damages, plus punitive damages, attorneys' fees, and such other relief the panel deemed just and equitable.

Respondent requested that the claims asserted against her be denied in their entirety, that an order be entered expunging all references to this matter from her records maintained by the Central Registration Depository and that the panel assess all costs to Claimants.

OTHER ISSUES CONSIDERED & DECIDED

After hearing oral arguments on July 29, 2005, the panel issued an order granting Respondent's Motion to Dismiss this proceeding with prejudice and denying all other requests for relief.

Upon review of the file and the representations made by/on behalf of the Claimant, 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 pleadings, the testimony, and the evidence presented, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims, each and all, against Respondent, Gail M. Werner-Robertson, are dismissed with prejudice ;

- 2) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 3) Any relief not specifically enumerated, including punitive damages, expungement and attorney fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain 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 GWR Investments, Inc.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
(waived by the Director of Arbitration)	

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:

Two (2) Pre-hearing sessions with Panel x \$1,125.00	= \$2,250.00
Pre-hearing conferences: March 24, 2005 1 session	
July 29, 2005 1 session	
<hr/> Total Forum Fees	<hr/> = \$2,250.00

The Arbitration Panel has assessed \$1,125.00 of the forum fees jointly and severally to Eugene J. Gau and Kathleen R. Gau.

The Arbitration Panel has assessed \$1,125.00 of the forum fees to Gail M. Werner-Robertson.

Fee Summary

Claimants, Eugene J. Gau and Kathleen R. Gau, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$1,125.00
Total Fees	= \$1,425.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Gail M. Werner-Robertson, is liable for:

Forum Fees	= \$1,125.00
Total Fees	= \$ 1,125.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,125.00

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

ARBITRATION PANEL

W. Russell Bowie, Esq. - Public Arbitrator, Presiding Chair
Thomas J. Duff - Public Arbitrator
Bruce C. Young - Non-Public Arbitrator

Concurring Arbitrators:

/s/ W. Russell Bowie, Esq.
W. Russell Bowie, Esq.
Public Arbitrator, Presiding Chair

08/15/05
Signature Date

/s/ Thomas J. Duff
Thomas J. Duff
Public Arbitrator

08/15/05
Signature Date

/s/ Bruce C. Young
Bruce C. Young
Non-Public Arbitrator

08/12/05
Signature Date

08/15/05
Date of Service (For NASD office use only)

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8/15/05
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ARBITRATION PANEL

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Bruce C. Young - Non-Public Arbitrator

Concurring Arbitrators:

W. Russell Bowle, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Thomas J. Duff
Public Arbitrator

Signature Date


Bruce C. Young
Non-Public Arbitrator

8-12-05
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