

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

DONALD L. GIESELMAN and
BEVERLY L. GIESELMAN, Individually
and Trustees of their respective IRA Accounts,
Claimants,

Case Number: 04-07310
Hearing Site: St. Louis, Missouri

v.

LINSCO/PRIVATE LEDGER and
JOSEPH ALTIC,
Respondents.

NATURE OF THE DISPUTE

Customers vs. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Donald L. Gieselman and Beverly L. Gieselman (the "Gielsemans"), hereinafter collectively referred to as "Claimants": Stuart R. Berkowitz, Esq. of Platke & Berkowitz, LLP. Located in St. Louis, Missouri.

Linsco/Private Ledger ("Linsco") and Joseph Altic ("Altic"), hereinafter collectively referred to as "Respondents": Eric A. Michaels, Esq. of Hertz, Schram & Saretsky, P.C., located in Bloomfield Hills, Michigan.

CASE INFORMATION

Statement of Claim filed on or about: October 18, 2004

The Gielsemans jointly signed an undated Uniform Submission Agreement.

Statement of Answer filed by Respondents, Linsco and Altic, on or about: December 27, 2004

Respondent Linsco did not submit a signed the Uniform Submission Agreement.

Respondent Altic signed the Uniform Submission Agreement: February 3, 2005

CASE SUMMARY

Claimants asserted the following causes of action: suitability and failure to supervise. The causes of action relate to unspecified technology stocks and aggressive mutual funds, which were unsuitable and contrary to Claimants' investment objectives.

Unless specifically admitted in their Answer, Respondents, Linsco and Altic, denied the allegations made in the Statement of Claim and asserted various affirmative defenses: (1) failure to state a claim upon which relief can be granted; (2) Claimants' claims are barred by the applicable statutes of limitations, and the equitable doctrines of ratification, waiver, estoppel and/or laches; (3) all investment recommendations were suitable; (4) Linsco maintained an adequate system of supervision; (5) Respondents complied with the letter and/or spirit of all governing laws, rules and regulations applicable to the securities industry; (6) Claimants cannot establish transaction causation or loss causation (7) Claimants were responsible in whole or in part for the complained of transactions and resulting investment losses; (8) Claimants' recovery, if any, is limited to their actual damages (out-of-pocket losses) and they are precluded from obtaining windfall lost opportunity damages, costs, exemplary damages or punitive damages; (9) Claimants are not entitled to rescission; (10) Claimants are not entitled to recover attorney's fees or costs; and (11) Respondents did not owe fiduciary duties to the Claimants; all duties were met.

RELIEF REQUESTED

Claimants requested \$633,000.00 in compensatory damages, plus interest and attorney's fees.

Respondents, Linsco and Altic, requested dismissal of Claimants' claims, and an award of costs and attorney's fees incurred in the defense of this matter.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent, Linsco/Private Ledger Corp., did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

The Panel has been informed on or about January 5, 2006 that Claimants dismissed Joseph Altic as a Respondent in this matter independent of and prior to Claimants' settlement with Linsco/Private Ledger. However, the parties jointly ask the Panel to make a specific finding that there were no sales practice violations or wrongdoing or other liability attributable to Respondent's agent, Joseph Altic, and enter an Award recommending the expungement of all reference to the above-captioned arbitration from all registration records of Respondent Joseph Altic maintained by the NASD Central Registration Depository ("CRD"), with the understanding that, pursuant to NASD Notice of Members 04-16, Respondent Joseph Altic must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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.

AWARD

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

- 1.) All claims having been withdrawn, the same are hereby dismissed with prejudice and without costs to the Claimants, except such fees as specified below.
- 2.) The Panel orders the expungement of any and all references to the above-captioned arbitration from Joseph Altic's registration records maintained by the CRD, with the understanding that, pursuant to NASD Notice to Members 04-16, Respondent Joseph Altic must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the 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 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

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

- 3.) That any relief not specifically enumerated, including punitive damages are 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	= \$ 375.00
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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 a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Forum Fees and Assessments

The 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 last four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1,200.00	= \$1,200.00
<u>Pre-hearing conference</u> <u>March 21, 2005</u> <u>1 session</u>	
Total Forum Fees	= \$1,200.00

The Panel assessed forum fees as follows:

Claimants shall pay 50% of the total forum fees in the amount of \$600.00; and
Respondent Linsco/Private Ledger Corp. shall pay 50% of the total forum fees in the amount of \$600.00.

Fee Summary

The Gieselmans, are hereby jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
Deposit amount retained by NASD pursuant to Rule 10332(f)	= \$ 600.00
Total Fees	= \$1,575.00
<u>Less payments</u>	<u>= \$1,575.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Linsco/Private Ledger Corp., is hereby solely liable for:

Member Fees	= \$7,000.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$7,600.00
<u>Less payments</u>	<u>= \$7,600.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are due to NASD Dispute Resolution.

ARBITRATION PANEL

James P. O'Grady, Ph.D.	-	Public Arbitrator, Presiding Chairperson
Richard L. Puhl	-	Public Arbitrator
M. Eileen Dorsey, CFP	-	Non-Public Arbitrator

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M. Eileen Dorsey, CFP	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


James P. O'Grady, Ph.D.
Public Arbitrator, Presiding Chair

4/6/06
Signature Date

Concurring Arbitrators' Signatures

/s/ James P. O'Grady, Ph.D.

James P. O'Grady, Ph.D.

Public Arbitrator, Presiding Chair

4/6/06

Signature Date

/s/ Richard L. Puhl

Richard L. Puhl

Public Arbitrator

4/4/06

Signature Date

/s/ M. Eileen Dorsey, CFP

M. Eileen Dorsey, CFP

Non-Public Arbitrator

4/13/06

Signature Date

4/21/06

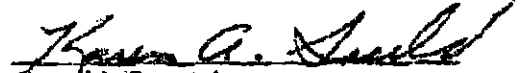
Date of Service (For NASD office use only)

FEES

All parties' balances, if any, are payable to NASD Dispute Resolution, Inc. and due upon receipt pursuant to Rule 10300(g) of the Code.

Approved as to form and content:


Stuart Berkowitz
Counsel for Claimants


Gary M. Saretsky
Karen A. Gould
Counsel for Respondent
Linsco/Private Ledger

Concurring Arbitrators' Signature(s)

M. Eileen Dorsey, CFP, Industry Arbitrator Signature Date

 4/4/06
Richard L. Puhl, Public Arbitrator Signature Date

James P. O'Grady, Ph.D., Public Arbitrator Signature Date

Date of Service:

EAM/Linsco/bpaward

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Richard I. Puhl
Public Arbitrator



M. Eileen Dorsey, CFP
Non-Public Arbitrator

Signature Date

4/13/06

Signature Date

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