

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

David E. Roether

and

Case Number: 05-01626
Hearing Site: Troy, Michigan

Respondent

Robert W. Baird & Co., Inc.

NATURE OF DISPUTE

Customer v. Member

REPRESENTATION OF PARTIES

David E. Roether ("Claimant") was represented by Ralph R. Safford, Esq., Safford & Baker, Bloomfield Hills, Michigan.

Robert W. Baird & Co., Inc. ("Respondent") was represented by Gregory G. Wille, Esq., Milwaukee, Wisconsin.

CASE INFORMATION

The Statement of Claim was filed on or about March 29, 2005. The Submission Agreement of David E. Roether was signed on or about March 14, 2005.

The Statement of Answer was filed by Robert W. Baird & Co., Inc. on or about March 23, 2005. The Submission Agreement of Robert W. Baird & Co., Inc. was signed on or about April 13, 2005 by Moira Moran, Staff Attorney and Vice President.

CASE SUMMARY

Claimant asserted the following causes of action: suitability, negligence, breach of contract, breach of fiduciary duties, violation of securities laws, failure to supervise, and violation of NASD rules. The causes of action related to Claimant's allegation that Respondent invested over 95% of his retirement funds in the recommendation and sale of unspecified individual stocks or stock-based investments. Claimant asserted that this investment allocation was unsuitable for his investment needs and objectives.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: any loss sustained by Claimant was the direct and proximate result of Claimant's own investment choices and market conditions and risks inherent in the investment activity he sought to pursue, which risks he willingly and knowingly assumed; at all times, Claimant retained and exercised control over the transactions executed in his accounts with Respondent; and Claimant failed to mitigate his damages.

RELIEF REQUESTED

Claimant requested an award in the amount of \$225,000.00 in actual damages, \$100,000.00 in punitive damages, interest, legal fees and costs, including expert witness fees, and forum fees.

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees.

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 original(s) 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.) Respondent, Robert W. Baird & Co., Inc., is liable for and shall pay to Claimant, David E. Roether, the sum of \$35,000.00 in damages;
- 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 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
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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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Robert W. Baird & Co., Inc.

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

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:

Two (2) Pre-hearing sessions with Panel x \$1,125.00	= \$ 2,250.00
Pre-hearing conferences: August 23, 2005 1 session	
April 7, 2006 1 session	
Six (6) Hearing sessions x \$1,125.00	= \$ 6,750.00
Hearing Dates: April 25, 2006 2 sessions	
April 26, 2006 2 sessions	
April 27, 2006 2 sessions	
Total Forum Fees	= \$ 9,000.00

The Arbitration Panel has assessed \$4,500.00 of the forum fees to David E. Roether.

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Robert W. Baird & Co., Inc.

Fee Summary

Claimant, David E. Roether, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 4,500.00
Total Fees	= \$ 4,800.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 3,375.00

Respondent, Robert W. Baird & Co., Inc., is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,500.00
Total Fees	= \$ 9,700.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 4,500.00

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

ARBITRATION PANEL

Stewart C.W. Weiner, Esq. - Public Arbitrator, Presiding Chair
Edward M. Olson, Esq. - Public Arbitrator
John R. Main - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Stewart C.W. Weiner, Esq.
Stewart C.W. Weiner, Esq.
Public Arbitrator, Presiding Chair

04/28/06
Signature Date

/s/ Edward M. Olson, Esq.
Edward M. Olson, Esq.
Public Arbitrator

04/28/06
Signature Date

/s/ John R. Main
John R. Main
Non-Public Arbitrator

04/28/06
Signature Date

04/28/06
Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 05-01626
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Edward M. Olson, Esq. - Public Arbitrator
John R. Main - Non-Public Arbitrator

Concurring Arbitrators:



Stewart C.W. Weiner, Esq.
Public Arbitrator, Presiding Chair

4/28/06

Signature Date

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Public Arbitrator

Signature Date

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NASD Dispute Resolution
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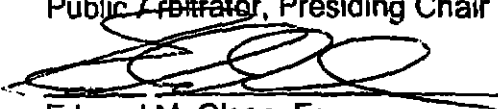
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