

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Susan Blais, Claimant v. Wells Fargo Investments, LLC, Wells Fargo Funds Management, LLC,
and Jason D. Sands, Respondents

Case Number: 05-02700

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Edward O. Lear, Esq.
Century Law Group
Los Angeles, California

For Respondents:

Vanessa M. Hoffmann, Esq.
Wells Fargo Bank Law Department
San Francisco, California

CASE INFORMATION

Statement of Claim filed: May 20, 2005

Claimant's Uniform Submission Agreement signed: May 18, 2005

Joint Statement of Answer filed by Respondents Wells Fargo Investments, LLC and Jason D. Sands: August 11, 2005

Respondent Wells Fargo Investments, LLC's Uniform Submission Agreement signed: August 11, 2005

Respondent Jason D. Sands' Uniform Submission Agreement signed: August 9, 2005

CASE SUMMARY

Claimant alleged fraud, negligent misrepresentation, breach of fiduciary duty, and violation of California Business and Professional Code § 17200. Claimant's allegations involved transactions in shares of Pimco California Municipal Fund III an Eaton Vance Insured California Mutual Bond Fund.

Respondents Wells Fargo Investments, LLC and Jason D. Sands denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested unspecified general and consequential damages, unspecified punitive damages, unspecified restitution, unspecified disgorgement of profits, and costs, including attorney's fees.

Respondents Wells Fargo Investments, LLC and Jason D. Sands requested dismissal of the Claimant's Statement of Claim in its entirety, expungement of any reference to this claim from NASD records relating to Respondent Jason D. Sands, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Wells Fargo Funds Management, LLC is not required to submit to arbitration pursuant to the *NASD Code of Arbitration Procedure* (Code) and did not voluntarily submit to NASD arbitration.

The parties 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 pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Jason D. Sands's registration records maintained by the Central Registration Depository (CRD), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Jason D. Sands 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, 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.

- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted, including Claimant's request for punitive damages, 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	= \$ 250.00
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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 Wells Fargo Investments, LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,200.00</u>
Total Member Fees	= \$ 4,450.00

Adjournment Fees

The following adjournment fees are assessed:

March 9-10, 2006 adjournment requested by Claimant	= \$ 1,000.00
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The Panel waived \$1,000.00 of the Adjournment Fees.

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 Chair or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,000.00/session	= \$ 1,000.00
Pre-hearing conference: November 3, 2005 1 session	
Two (2) Hearing sessions @ \$1,000.00/session	= \$ 2,000.00
<u>Hearings: March 21, 2006 2 sessions</u>	<u></u>
Total Forum Fees	= \$ 3,000.00

The Panel assessed \$3,000.00 of the forum fees to Respondent Wells Fargo Investments, LLC.

Fee Summary

1. Claimant Susan Blais is charged with the following fees and costs:

Initial Filing Fee	= \$ 250.00
<u>Less payments</u>	<u>= \$(1,250.00)</u>
Balance Due NASD Dispute Resolution	= \$(1,000.00)

2. Respondent Wells Fargo Investments, LLC is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
<u>Forum Fees</u>	<u>= \$ 3,000.00</u>
Total Fees	= \$ 7,450.00
<u>Less payments</u>	<u>= \$(4,450.00)</u>
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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.

ARBITRATION PANEL

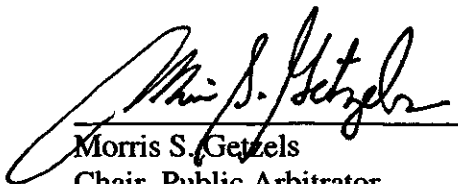
Morris S. Getzels

William J. Adams

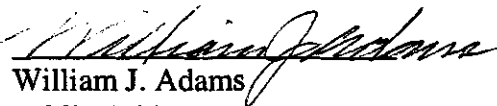
Salvatore A. Sciortino

- **Public Arbitrator, Presiding Chair**
- **Public Arbitrator**
- **Non-Public Arbitrator**


Concurring Arbitrators' Signatures


Morris S. Getzels
Chair, Public Arbitrator

3/22/06
Signature Date


William J. Adams
Public Arbitrator

3/22/06
Signature Date


Salvatore A. Sciortino
Non-Public Arbitrator

3/22/06
Signature Date

3/22/06
Date of Service