

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Wachovia Securities, LLC

Case Number: 05-03233

Name of the Respondent
Cary N. Reichbach

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For Claimant Wachovia Securities, LLC ("Wachovia"): Gregory S. Tendrich, Esq., Law Office of Gregory S. Tendrich, P.A., Boca Raton, Florida.

For Respondent Cary N. Reichbach ("Reichbach"): Arthur C. Koski, Esq., Law Offices of Arthur C. Koski, P.A., Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 24, 2005.

Claimant signed the Uniform Submission Agreement: June 14, 2005.

Statement of Answer and Affirmative Defenses filed on or about: August 3, 2005.

Respondent Reichbach signed the Uniform Submission Agreement: September 2, 2005.

CASE SUMMARY

Claimant asserted a cause of action in the Statement of Claim for breach of promissory note. The cause of action relates to a promissory note entered during Respondent's employment with Claimant.

Unless specifically admitted in his Answer, Respondent Reichbach denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$325,674.04; 2) interest in the amount of \$69,685.32; 3) per diem interest at the rate of \$44.61 per day from the date of default to the date of payment; 4) costs of collection and this proceeding including attorneys' fees as agreed to under the terms of the promissory note, equal to not less than 10% of the outstanding loan balance, or \$32,567.40; and 5) any other relief the undersigned arbitrators (the "Panel") deem just and equitable.

Respondent Reichbach requested: 1) entry of an order denying Wachovia's claims in their entirety; 2) costs of this action; and 3) such other and further relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 11, 2006, the parties advised NASD Dispute Resolution that this matter was settled and that the parties desired to enter into a Stipulated Award. On or about April 17, 2006, Claimant filed a proposed Stipulated Award. On or about May 31, 2006, Claimant filed its Agreed Motion to Enter Stipulated Award. On or about June 1, 2006, Respondent filed his notice of agreement with Stipulated Award. On or about June 15, 2006, the Panel granted the motion and accepted the proposed Stipulated Award.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings, the proposed Stipulated Award, and the stipulation of the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Reichbach shall pay to Wachovia Securities, LLC. the sum of Eighty Seven Thousand Five Hundred and No/100 (\$87,500) in full and final satisfaction of his obligations under the Promissory Note. Reichbach shall pay the sum of \$2,500 down on or before May 1, 2006 and commencing on June 1, 2006 through April 1, 2007, the sum of \$200.00 per month; on May 1, 2007, the sum of \$10,000; commencing on June 1, 2007 through April 1, 2008, the sum of \$200.00 per month; on May 1, 2008, the sum of \$10,000; commencing on June 1, 2008 through April 1, 2009, the sum of \$500.00 per month; on May 1, 2009, the sum of \$20,000; commencing on June 1, 2009 through April 1, 2010, the sum of \$500.00 per month; and a final payment on May 1, 2010 in the amount of \$28,200.
2. In the event of default by Reichbach, the amount due under this Stipulated Award shall increase to the sum of \$325,674.04, plus accrued interest equal to \$69,685.32 (1,562 days times \$44.61), plus per diem interest at the rate of \$44.61 per day from the date of default (November 2, 2004); plus attorneys' fees equal to \$32,567.40, plus any and all additional costs of collection including attorneys' fees.
3. In the event of default by Reichbach, he further stipulates to the entry of an Order from a Court of competent jurisdiction granting Wachovia's Petition to Confirm Arbitration Award.
4. Each and every one of Wachovia's claims asserted, and that could have been asserted, against Reichbach is hereby dismissed with prejudice.

5. Each and every one of Reichbach's claims asserted, and that could have been asserted, against Wachovia is hereby dismissed with prejudice.
6. All arbitration and forum fees incurred shall be divided equally between the parties.
7. Each party shall bear their own attorneys' fees.
8. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$1,000.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Claimant Wachovia is a party and a member firm.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

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.

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A 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 @ \$1,125.00 per session = \$1,125.00
Pre-hearing conference: October 17, 2005 1 session

Total Forum Fees	= \$1,125.00
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The Panel has assessed forum fees in the amount of \$562.50 to Claimant.

The Panel has assessed forum fees in the amount of \$562.50 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs assessed during these proceedings.

Fee Summary

Claimant Wachovia is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 6,762.50
Less payments	= \$ 6,762.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Reichbach is solely liable for:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Barry K. Thorpe, Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard S. Carrey, Esq.	-	Public Arbitrator
Michael Z. Brennan	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Barry K. Thorpe, Esq.
Public Arbitrator, Presiding Chairperson

June 21, 2006
Signature Date

Bernard S. Carrey, Esq.
Public Arbitrator

Signature Date

/s/
Michael Z. Brennan
Non-Public Arbitrator

June 21, 2006
Signature Date

June 23, 2006
Date of Service (For NASD Dispute Resolution office use only)

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Michael Z. Brennan	-	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson



Signature Date

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Public Arbitrator

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Non-Public Arbitrator

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Public Arbitrator

Signature Date



Michael Z. Brennan
Non-Public Arbitrator



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