

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

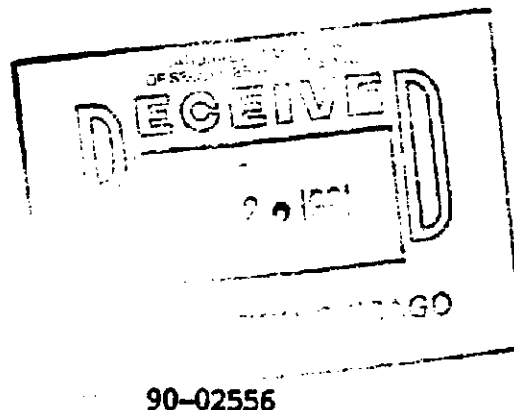
In the Matter of the Arbitration Between

Name of Claimant

David Beckman

Name of Respondents

R.W. Baird & Company, Inc.
Connie Chumas and
John Kempf



90-02556

REPRESENTATION OF PARTIES

David Beckman was represented by Lorrie J. Franson, Esq. of Guelzow, Senteney & Franson, Ltd., Eau Claire, WI.

R.W. Baird & Company, Inc., Connie Chumas and John Kempf was represented by David J. Hase, Esq. of Foley & Lardner, Milwaukee, WI.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about September 12, 1990 David Beckman ("Claimant") alleged that R.W. Baird & Company, Inc. ("R.W. Baird"), Connie Chumas ("Chumas") and John Kempf ("Kempf") made material misrepresentations of fact, violated the Wisconsin Securities Act, in connection with his purchase of Southmark Series D preferred stock, engaged in churning, breached their fiduciary duty, and engaged in common law fraud and negligent misrepresentation.

In their Answer to the Statement of Claim filed with the NASD on or about December 20, 1990, Respondents denied the allegations set forth in the Statement of Claim. Respondents stated that the transactions which occurred in the Claimant's account were made with the full knowledge and consent of the Claimant, and that the risks involved in the transactions were fully disclosed to the Claimant.

RELIEF REQUESTED

Claimant requested an award in the amount of \$78,000.00, punitive damages, interest, costs and attorney's fees.

Respondents requested that the Statement of Claim be dismissed in its entirety.

PROCEDURAL MATTERS

On Thursday, June 6, 1991 and Tuesday, August 13, 1991 in Minneapolis, Minnesota during a hearing lasting a total of four (4) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on September 6, 1990 by Claimant David Beckman on January 18, 1991 by Glen F. Haake on behalf of Respondent R.W. Baird Company, Inc. on January 18, 1991 by Respondent Connie Chumas and on January 18, 1991 by Respondent John Kempf.

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 the NASD.

AWARD

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents R.W. Baird & Company, Inc., Connie Chumas and John Kempf shall be and hereby are jointly and severally liable for and shall pay to the Claimant David Beckman the sum of Fifty Three Thousand Four Hundred Thirty Two Dollars (\$53,432.00) which sum includes interest;
2. Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein; and
3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the hearing session deposit in the amount of \$500.00 previously deposited with the NASD by the Claimant David Beckman. Respondents shall be and hereby are jointly and severally liable for and shall pay to the NASD the sum of \$2,000.00 as forum fees.

Dated:

Wendy J. Wildung, Esq.
Presiding Chair
Public Arbitrator

Douglas J. Nesbit
Public Arbitrator

8/19/91

Harold E. Gierke
Harold E. Gierke
Industry Arbitrator

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Dated:

August 19, 1991


Wendy J. Widding, Esq.
Presiding Chair
Public Arbitrator

Douglas J. Nesbit
Public Arbitrator

Harold E. Gierke
Industry Arbitrator

90-2556

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