

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Carol Ann Lockwood, Claimant v. Wells Fargo Investments, LLC and Richard Paul Umanzio,
Respondents

Case Number: 03-07498

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimant:

Mitchell S. Ostwald, Esq.
Law Offices of Mitchell S. Ostwald
Sacramento, California

For Respondents:

Robert T. Sullwold, Esq.
Sullwold & Hughes
San Francisco, California

CASE INFORMATION

Statement of Claim filed: October 19, 2003

Claimant's Uniform Submission Agreement signed: September 19, 2003

Joint Statement of Answer filed by Respondents: December 31, 2003

Respondent Wells Fargo Investments, LLC's Uniform Submission Agreement signed:
March 24, 2004

Respondent Richard Paul Umanzio's Uniform Submission Agreement signed: March 24, 2004

CASE SUMMARY

Claimant alleged breach of fiduciary duty, fraud, failure to supervise, and violation of federal and state securities laws. Claimant's allegations involved transactions in, but not limited to, ARBA, TERN, INTC, QCOM, AMAT, NOK, ORCL, JDSU, EFNT, and SONS stock.

Respondents denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$209,000.00 in compensatory damages, interest, unspecified punitive damages, disgorgement of profits and compensation, opportunity costs, and costs, including attorney's fees.

Respondents requested dismissal of Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On October 30, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

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, evidence presented at the hearing, and the post-hearing submissions, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondents Wells Fargo Investments, LLC and Richard Paul Umanzio are jointly and severally liable to and shall pay Claimant Carol Ann Lockwood the sum of \$50,931.94 in compensatory damages.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted 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 = \$ 300.00

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 = \$1,700.00

Pre-Hearing Process Fee = \$ 750.00

Hearing Process Fee = \$2,750.00

Total Member Fees = \$5,200.00

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 Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$ 1,125.00/session = \$1,125.00
Pre-hearing conference: March 11, 2004 1 session

5 Hearing sessions @ \$ 1,125.00/session = \$5,625.00
Hearings: October 6, 2004 2 sessions
October 7, 2004 2 sessions
October 8, 2004 1 session

Total Forum Fees = \$6,750.00

1. The Panel assessed \$3,375.00 of the forum fees to Claimant.
2. The Panel assessed \$3,375.00 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

1. Claimant Carol Ann Lockwood is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,375.00
<hr/> Total Fees	= \$ 3,675.00
Less payments	= \$(1,425.00)
<hr/> Balance Due NASD Dispute Resolution	= \$ 2,250.00

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

Member Fees	= \$ 5,200.00
Less payments	= \$(5,200.00)
<hr/> Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Wells Fargo Investments, LLC and Richard Paul Umanzio are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 3,375.00
Less payments	= \$(0.00)
<hr/> Balance Due NASD Dispute Resolution	= \$ 3,375.00

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

Peter F. Sloss, Esq.	-	Public Arbitrator, Presiding Chair
Jonathan H. Krotinger	-	Public Arbitrator
Robert G. Miller	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Peter F. Sloss, Esq.
Chair, Public Arbitrator

Signature Date

Jonathan H. Krotinger
Public Arbitrator

Signature Date

Robert G. Miller
Non-Public Arbitrator

Signature Date

Date of Service

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Jonathan H. Krotinger	-	Public Arbitrator
Robert G. Miller	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Peter F. Sloss

Peter F. Sloss, Esq.
Chair, Public Arbitrator

10/26/04

Signature Date

Jonathan H. Krotinger
Public Arbitrator

Signature Date

Robert G. Miller
Non-Public Arbitrator

Signature Date

10/26/04
Date of Service

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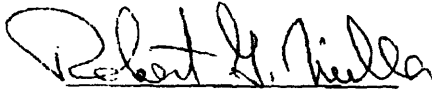
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Signature Date



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Non-Public Arbitrator

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