

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Joseph A. Rydings, Claimant v. Donald J. Kellen and Bear Stearns & Company, Inc.,  
Respondents

Case Number: 00-00066

Hearing Site: Los Angeles, California

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**REPRESENTATION OF PARTIES**

For Claimant:

Joseph A. Rydings  
In Pro Per  
Redondo Beach, California

For Respondents:

Michael M. Gless, Esq.  
Keesal, Young, & Logan  
Long Beach, California

**CASE INFORMATION**

Statement of Claim filed: January 3, 2000

Claimant's Uniform Submission Agreement signed: December 28, 1999

Joint Statement of Answer filed by Respondents Donald J. Kellen and Bear Stearns & Company, Inc.: March 3, 2000

Respondent Donald J. Kellen's Uniform Submission Agreement signed: March 1, 2000

Respondent Bear Stearns & Company, Inc.'s Uniform Submission Agreement signed: March 3, 2000

**CASE SUMMARY**

Claimant alleged fraud and breach of fiduciary duty. Allegations arose out of the purchase and/or sale of FirstPlus Financial Group, Inc. stock.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested compensatory damages of \$ 79,830.00, pre-award and post-award interest, lost opportunity damages, and costs of arbitration.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and expungement of this matter from their CRD records.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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) All claims in Claimant's Statement of Claim are denied in their entirety.
- 2) Each party shall bear its own costs, including attorney's fees.
- 3) All relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 225.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Bear Stearns & Company, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 1,500.00</u>
<b>Total Member Fees</b>	<b>= \$ 3,100.00</b>

### Adjournment Fees

The following adjournment fees are assessed:

Hearing Dates February 28 – March 1, 2001,  
requested by Claimant and \$ 750.00 fee waived by Panel = \$ 0.00

### 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/Panel. The following fees are assessed:

2 Pre-hearing conference sessions with the Panel @ \$750.00/session = \$1,500.00

Pre-hearing conferences: December 7, 2000 1 session  
December 14, 2000 1 session

1 Hearing session @ \$750.00/session = \$ 750.00

Hearing: June 20, 2001 1 session

**Total Forum Fees = \$2,250.00**

1. The Panel assessed \$1,125.00 of the forum fees to Claimant Joseph A. Rydings.
2. The Panel assessed \$1,125.00 of the forum fees jointly and severally to Respondents Donald J. Kellen and Bear Stearns & Company, Inc.

### Fee Summary

1. Claimant Joseph A. Rydings is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	<u>= \$ 1,125.00</u>
Total Fees	= \$ 1,350.00
<u>Less Payments</u>	<u>= \$ (975.00)</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 375.00
2. Respondent Bear Stearns & Company, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
<u>Less Payments</u>	<u>= \$(3,100.00)</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ - 0 -

NASD Dispute Resolution, Inc.

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3. Respondents Donald J. Kellen and Bear Stearns & Company, Inc. are charged jointly and severally with the following fees and costs:

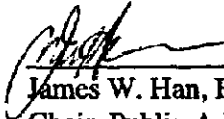
Forum Fees	= \$ 1,125.00
<u>Less Payments by Bear Stearns &amp; Company, Inc.</u>	<u>= \$ (600.00)</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 525.00

All balances are payable to NASD Dispute Resolution, Inc. and are payable upon the receipt of the Award by the parties pursuant to Rule 10330(g) of the Code of Arbitration Procedure.

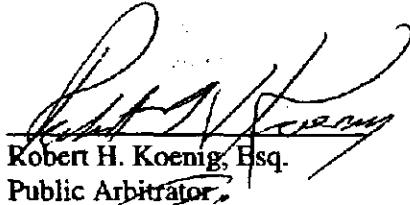
**ARBITRATION PANEL**

James W. Han, Esq.	-	Public, Presiding Chair
Robert H. Koenig, Esq.	-	Public Arbitrator
Robert H. Bothner	-	Non-Public Arbitrator

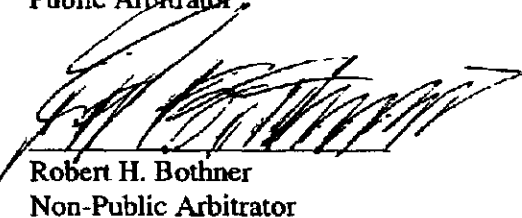
**Concurring Arbitrators' Signatures**

  
James W. Han, Esq.  
Chair, Public Arbitrator

6/20/01  
Signature Date

  
Robert H. Koenig, Esq.  
Public Arbitrator

6/20/01  
Signature Date

  
Robert H. Bothner  
Non-Public Arbitrator

6/20/01  
Signature Date

6-20-01  
Date of Service