

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Stephens Inc.

and

00-04848
Dallas, Texas

Name of Respondent

Keith Martel Russell

REPRESENTATION OF PARTIES

Stephens, Inc. ("**Claimant**") was represented by Jana Kim Keller, Esq., inside counsel of Stephens, Inc., Little Rock, AR.

Keith Martel Russell ("**Respondent**") was represented by Michael Johns, Esq., Dover & Dixon, Little Rock, AR.

CASE INFORMATION

The Statement of Claim was filed on or about November 1, 2000. Submission Agreement of Claimant Stephens, Inc. was signed on October 30, 2000.

Statement of Answer and Counterclaim was filed by Respondent Keith Martel Russell on or about January 16, 2001. Submission Agreement of Respondent Keith Martel Russell was signed on January 12, 2001.

CASE SUMMARY

Claimant alleged that its former employee, Respondent Keith Martel Russell, failed to pay money owed to Claimant on a promissory note. The Claimant asserts causes of action including breach of contract and breach of a promissory note.

Respondent denied the allegations set forth in the Statement of Claim. Respondent specifically alleged in his Counterclaim that he was forced to resign under duress and therefore the promissory note is null and void.

RELIEF REQUESTED

Claimant requested an award in the amount of \$91,595.97 in compensatory damages, interest, attorney's fees and other costs as the Panel deemed appropriate.

Respondent requested that the claims asserted against them be denied and that he be awarded \$323,000 in compensatory damages, costs and attorneys' fees

OTHER ISSUES CONSIDERED & DECIDED

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 Dispute Resolution, Inc. (the "NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing and the post-hearing submissions, if any, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondent Keith Martel Russell is liable for and shall pay Claimant Stephens, Inc. \$45,080 (forty five thousand and eighty dollars) in compensatory damages.
2. That Respondent Keith Martel Russell's Counterclaim is dismissed and denied in its entirety.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorney's fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$750.00
Counter claim Party Claim filing fee = \$300.00

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. In this matter, the member firm is Stephens, Inc.

Member surcharge = \$1,000.00
Pre-hearing process fee = \$600.00
Hearing process fee = \$2,500.00

Adjournment Fees

Adjournments requested during these proceedings:

July 25-26,2001, adjournment by party Keith Martel Russell = \$1,125.00
November 7-8,2001, adjournment by party Keith Martel Russell = \$1,000.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

Three (3) Pre-hearing sessions with Panel x \$1,125.00	= \$3,375.00
Pre-hearing conferences:	
March 16, 2001	1 session
July 12, 2001	1 session
October 30,2001	1 session
Six (6) Hearing sessions x \$1,125.00	= \$6,750.00
Hearing Date(s):	
December 4, 2001	2 sessions
December 5, 2001	2 sessions
December 6, 2001	2 sessions
Total Forum Fees	= \$10,125.00

The Arbitration Panel has assessed \$5,062.50 of the forum fees to Claimant Stephens, Inc.
The Arbitration Panel has assessed \$5,062.50 of the forum fees to Respondent Keith Martel Russell

Claimant Stephens Inc. shall be and hereby is liable for:

Initial Filing Fee	= \$1,000.00
Adjournment Fee	= \$00.00
Member Fees	= \$4,100.00
<u>Forum Fees</u>	= \$5,062.50
Total Fees	= \$10,162.50
<u>Less payments</u>	= \$4,850.00
Zero Balance	= \$5,312.50

Respondent, Keith Martel Russell, shall be and hereby is liable for:

Counterclaim Filing Fee	= \$300.00
Adjournment Fee	= \$2,125.00
Administrative Costs	= \$ 00.00
<u>Forum Fees</u>	= \$5,062.50
Total Fees	= \$7,487.50
<u>Less payments</u>	= \$ 1,300.00
Amount Due NASD Dispute Resolution, Inc.	= \$6,187.50

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Carol A. Freeland – Non-Public Arbitrator, Presiding Chair
William M. Reagan –Non-Public Arbitrator
William Cavalier -Non-Public Arbitrator

Concurring Arbitrators:

Carol A. Freeland
Non-Public Arbitrator, Presiding Chair

Signature Date

William M. Reagan
Non-Public Arbitrator

Signature Date

William Cavalier

Signature Date

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Initial Filing Fee	= \$1,000.00
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Total Fees	= \$10,162.50
<u>Less payments</u>	= <u>\$4,850.00</u>
Zero Balance	= \$5,312.50

Respondent, Keith Martel Russell, shall be and hereby is liable for:

Counterclaim Filing Fee	= \$300.00
Adjournment Fee	= \$2,125.00
Administrative Costs	= \$ 00.00
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Concurring Arbitrators:

Carol A. Freeland
Carol A. Freeland
Non-Public Arbitrator, Presiding Chair

1-29-02
Signature Date

William M. Reagan
Non-Public Arbitrator

Signature Date

William Cavalier

Signature Date

Less payments

Zero Balance

= 310,162.50

= \$4,850.00

= \$5,312.50

Respondent, Keith Martin Russell, shall be and hereby is liable for:

Counterclaim Filing Fee

= \$300.00

Adjournment Fee

= \$2,125.00

Administrative Costs

= \$ 00.00

Forum Fees

= \$5,062.50

Total Fees

= \$7,487.50

Less payments

= \$ 1,300.00

Amount Due NASD Dispute Resolution, Inc.

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Non-Public Arbitrator, Presiding Chair

Signature Date

William M. Reagan

Non-Public Arbitrator

Signature Date

William Cavalier

Signature Date

NASD Dispute Resolution, Inc.
Arbitration No. 00-04848
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Claimant Stephens Inc. shall be and hereby is liable for:

Initial Filing Fee	= \$1,000.00
Adjournment Fee	= \$500.00
Member Fees	= \$4,100.00
<u>Forum Fees</u>	<u>= \$5,062.50</u>
Total Fees	= \$10,162.50
<u>Less payments</u>	<u>= \$4,850.00</u>
Zero Balance	= \$5,312.50

Respondent, Keith Martel Russell, shall be and hereby is liable for:

Counterclaim Filing Fee	= \$300.00
Adjournment Fee	= \$2,125.00
Administrative Costs	= \$ 00.00
<u>Forum Fees</u>	<u>= \$5,062.50</u>
Total Fees	= \$7,487.50
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Concurring Arbitrators:

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Non-Public Arbitrator, Presiding Chair

Signature Date

William M. Reagan
Non-Public Arbitrator

Signature Date


William Cavalier

2/1/02
Signature Date