

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

T. Patrick LaPorte

and

Case Number: 01-01970
Hearing Site: Southfield, Michigan

Names of Respondents

Bear Stearns & Co., Inc.,
Bear Stearns Securities Corp.,
and Bear Stearns

NATURE OF DISPUTE

Customer v. Members and Non-Member

REPRESENTATION OF PARTIES

T. Patrick LaPorte ("Claimant") was represented by Anthony V. Trogan, Esq., Anthony V. Trogan, P.L.L.C., West Bloomfield, Michigan

Bear Stearns & Co., Inc., Bear Stearns Securities Corp., and Bear Stearns, hereinafter collectively referred to as "Respondents" were represented by Miles D. Hart, Esq., Hertz, Schram & Saretsky, Bloomfield Hills, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about April 18, 2001. The Submission Agreement of Claimant T. Patrick LaPorte was signed on or about April 3, 2001.

Statement of Answer was filed jointly by Respondent Bear Stearns & Co., Inc., Bear Stearns Securities Corp., and Bear Stearns on or July 17, 2001. The Submission Agreement of Respondent Bear Stearns & Co., Inc. and Bear Stearns Securities Corp. was signed on or about July 18, 2001, by Mark E. Lehman.

CASE SUMMARY

Claimant asserted that Respondents failed to honor Claimant's request to transfer his securities after he had exercised an option to purchase restricted shares of IMC which were placed into a Bear Stearns account with a margin balance. The cause of action relates to Claimant's efforts to purchase a collar to protect his IMC shares and Respondents' alleged refusal to transfer Claimant's shares to Merrill Lynch. Claimant asserted that there were no restrictions on the Bear Stearns account and that Bear Stearns was obligated to honor Claimant's request.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim fails to state a claim upon which relief may be granted, Claimant's claim is barred by any governing statute of limitations or the equitable doctrines of waiver, estoppel and/or laches, Respondents did not proximately cause Claimant to incur any damages or otherwise suffer any harm, and Claimant and others are responsible for any damages sustained by Claimant.

RELIEF REQUESTED

Claimant requested an award in the amount of \$637,725.00, plus additional damages as allowed by the Panel, costs, attorney fees, and interest.

Respondents requested that the claims asserted against them be dismissed in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Bear Stearns did not file with the NASD Dispute Resolution a properly executed submission to arbitration but having answered the claim, and appeared and testified through counsel at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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 NASD Dispute Resolution ("NASD").

AWARD

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

- 1.) Claimant's claims, each and all are denied and dismissed with prejudice;
- 2.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) That any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

FEES

Pursuant to 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 = \$ 375.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firms are Bear Stearns & Co., Inc., and Bear Stearns Securities Corp.

Member surcharge	= \$ 2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 3,500.00

Adjournment Fees

Adjournments requested during these proceedings:

June 12-13, 2003, adjournment requested jointly (fee waived by Panel)	= \$ 1,200.00
February 9, 2004, adjournment by Respondents (fee waived by Panel)	= \$ 1,200.00

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:

One (1) Pre-hearing session with Panel x \$1,200.00	= \$1,200.00
Pre-hearing conference: October 18, 2001 1 session	
Six (6) Hearing sessions x \$1,200.00	= \$7,200.00
Hearing Dates: June 10, 2003 2 sessions	
June 11, 2003 2 sessions	
February 10, 2004 2 sessions	
Total Forum Fees	= \$8,400.00

The Arbitration Panel has assessed \$4,200.00 of the forum fees to T. Patrick LaPorte.
The Arbitration Panel has assessed \$4,200.00 of the forum fees jointly and severally to Bear Stearns & Co., Inc., Bear Stearns Securities Corp., and Bear Stearns.

Fee Summary

Claimant, T. Patrick LaPorte, is liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 4,200.00
Total Fees	= \$ 4,575.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 3,000.00

Respondent, Bear Stearns & Co., Inc., is liable for:

Member Fees	= \$ 6,100.00
Total Fees	= \$ 6,100.00
Less payments	= \$ 6,100.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Bear Stearns Securities Corp., is liable for:

Member Fees	= \$ 6,100.00
Total Fees	= \$ 6,100.00
Less payments	= \$ 6,100.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, Bear Stearns & Co., Inc., Bear Stearns Securities Corp., and Bear Stearns, are jointly and severally liable for:

Forum Fees	= \$ 4,200.00
Total Fees	= \$ 4,200.00
Less payments	= \$ 800.00
Balance Due NASD Dispute Resolution	= \$ 3,400.00

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

ARBITRATION PANEL

Burton Ansell, Esq. - Public Arbitrator, Presiding Chair
Robert Fearon - Public Arbitrator
William Kubicz - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Burton Ansell, Esq.
Burton Ansell, Esq.
Public Arbitrator, Presiding Chair

02/12/04
Signature Date

/s/ Robert Fearon
Robert Fearon
Public Arbitrator

02/11/04
Signature Date

/s/ William Kubicz
William Kubicz
Non-Public Arbitrator

02/11/04
Signature Date

02/12/04
Date of Service (For NASD office use only)

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Public Arbitrator, Presiding Chair

Signature Date

Robert Fearon
Public Arbitrator

Signature Date



William Kubicz
Non-Public Arbitrator

2/11/04

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Public Arbitrator

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Burton Ansell, Esq.
Public Arbitrator, Presiding Chair

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Signature Date

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Public Arbitrator

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William Kubicz
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