

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant  
Kenneth B. Beechner

Case Number: 02-07431

Names of the Respondents  
Betty O'Lear  
World Invest Corporation  
Royal Alliance Associates, Inc.  
Donaldson, Lufkin & Jenrette Securities Corporation.

Hearing Site: Washington, D.C.

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Nature of the Dispute: Customer vs. Members, Member Terminated and Associated Person

**REPRESENTATION OF PARTIES**

Claimant, Kenneth B. Beechner, hereinafter referred to as "Claimant", was represented by Richard B. Boddie, Esq., Slocum & Boddie, P.C., Springfield, Virginia.

Respondent, Betty O'Lear ("O'Lear") and Royal Alliance Associates, Inc. ("Royal Alliance"), hereinafter collectively referred to as "Respondents", were represented by John Tremain May, Esq., Jordan Coyne & Savits, L.L.P., Washington, D.C.

Respondent World Invest Corporation ("World Invest") was not represented by counsel and did not appear at the hearing.

Respondent Donaldson, Lufkin & Jenrette Securities Corporation ("DLJ") was represented by Jesse Lawrence, Esq., Pershing, L.L.C., Jersey City, New Jersey.

**CASE INFORMATION**

Statement of Claim filed on December 9, 2002.  
Claimant signed an undated Uniform Submission Agreement.

Statement of Answer filed by Respondents O'Lear and Royal Alliance on April 22, 2003.  
Respondent O'Lear signed the Uniform Submission Agreement on April 14, 2003.  
A representative of Respondent Royal Alliance executed the Uniform Submission Agreement on March 11, 2003.  
Respondent World Invest did not submit a Statement of Answer and Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action, among others: unauthorized trading, violations

of statutory duty, breach of contract, and negligence. The causes of action relate to the sale of various mutual funds including MFS Total Return Fund-B, Putnam Growth and Income CL-B Fund, and Northstar Income and Growth Fund-B.

Unless specifically admitted in their Answer, Respondents O'Lear and Royal Alliance denied the allegations made in the Statement of Claim and asserted the following defenses, among others: Claimant fails to state a claim upon which relief may be granted; statute of limitations; failure to mitigate damages; contributory negligence; Claimant's claims are barred by the doctrines of estoppel and laches, and voluntary assumption of the risk.

#### RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

#### OTHER ISSUES CONSIDERED AND DECIDED

On April 23, 2003, Claimant filed a Notice of Dismissal Without Prejudice of Respondent DLJ stating that DLJ did not act as a "securities intermediary" with respect to Claimant's account.

On May 20, 2005 Claimant withdrew with prejudice his claim against Respondent World Invest.

Prior to the hearing the Parties fully and finally settled all claims by and between them and the Parties submitted a Stipulated Award to the Arbitration Panel (the "Panel") and requested that it be entered. A majority of the Panel members declined to sign the Stipulated Award.

On or about August 1, 2005 Respondent filed a Motion to Reconsider the Panel's decision declining to enter the Stipulated Award to which Claimant consented. Following a telephonic conference with the Panel on September 12, 2005, the Panel unanimously consented to the entry of this Stipulated Award

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

#### AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents Royal Alliance have entered into a confidential settlement agreement;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent O'Lear's registration records maintained by the NASD

Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent O'Lear must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein is denied in its entirety.

#### 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 = \$ 250.00

##### 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 person(s) at the time of the events giving rise to the dispute. Accordingly, Royal Alliance is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,200.00
<b>Total Member Fees</b>	<b>= \$4,450.00</b>

##### Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:  
November 2-4, 2004 adjournment requested by Royal Alliance = \$1,000.00

##### Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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 session Panel @ \$1,000.00	= \$3,000.00
Pre-hearing conferences:	
December 16, 2003	1 session
October 5, 2004	1 session
September 12, 2005	1 session
<b>Total Forum Fees</b>	<b>= \$3,000.00</b>

1. The Panel has assessed \$500.00 of the forum fees to Claimant.
2. The Panel has assessed \$500.00 of the forum fees to Respondent Royal Alliance.
3. The Panel has assessed \$1,500.00 of the forum fees to Respondent O'Lear.
4. The Panel has assessed \$500.00 of the forum fees to Respondent World Invest.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 500.00
Retained Hearing Session Deposit	= \$ 500.00
Total Fees	= \$1,250.00
Less payments	= \$1,425.00
Refund paid to Claimant	= \$ 175.00

2. Respondent Royal Alliance is assessed and shall pay the following fees:

Member Fees	= \$4,450.00
Forum Fees	= \$ 500.00
Adjournment Fee	= \$1,000.00
Total Fees	= \$5,950.00
Less payments	= \$6,450.00
Refund Due Respondent Royal Alliance	= \$ 500.00

4. Respondent O'Lear is assessed and shall pay the following fees:

Forum Fees	= \$1,500.00
Total Fees	= \$1,500.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$1,500.00

5. Respondent WIC is assessed and shall pay the following fees:

Forum Fees	= \$ 500.00
Total Fees	= \$ 500.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 500.00

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

ARBITRATION PANEL

Paul D. Pearlstein, Esq.	-	Public Arbitrator, Presiding Chairperson
Barbara Davis Solomon, Esq.	-	Public Arbitrator, Panelist
Phillip R. Clark	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

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Paul D. Pearlstein, Esq.  
Public Arbitrator, Presiding Chairperson

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Signature Date

\_\_\_\_\_  
Barbara Davis Solomon, Esq.  
Public Arbitrator, Panelist

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Phillip R. Clark  
Non-Public Arbitrator, Panelist

\_\_\_\_\_  
Signature Date

11/6/06  
Date of Service (For NASD Dispute Resolution office use only)