

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Mark Stephen Casady (Claimant) v. Scudder Financial Services, Inc., Scudder Distributors, Inc.
and Scudder Investor Services, Inc. (Respondents)

Case Number: 03-02442

Hearing Site: Boston, Massachusetts

Nature of the Dispute: Associated Person v. Members.

REPRESENTATION OF PARTIES

Claimant Mark Stephen Casady ("Casady") hereinafter referred to as "Claimant": David J. Freniere, Esq., Assistant General Counsel, Linsco/Private Ledger Corp., Boston, MA.

Respondents Scudder Financial Services, Inc. ("SFSI"), Scudder Distributors, Inc. ("SDI"), and Scudder Investor Services, Inc. ("SISI") hereinafter collectively referred to as "Respondents": Kerry M. Parker, Esq., Epstein, Becker & Green, P.C., Newark, NJ.

CASE INFORMATION

Statement of Claim filed on or about: April 2, 2003.

Claimant signed the Uniform Submission Agreement signed: March 31, 2003:

Letter Statement in Lieu of Statement of Answer filed on or about: September 4, 2003.

Joint Stipulation and Request filed on or about: September 4, 2003.

SFSI signed the Uniform Submission Agreement: September 3, 2003.

SDI signed the Uniform Submission Agreement: January 12, 2004.

SISI signed the Uniform Submission Agreement: January 12, 2004.

CASE SUMMARY

Claimant alleged that Respondents placed disparaging and defamatory statements on his Form U-5s concerning the reason for his termination.

Unless specifically admitted in their Letter Statement in Lieu of Statement of Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an Order for expungement of the June 12, 2002 and June 14, 2002 disclosures in Question #3 of Claimant's three Form U-5 filings with respect to the "Reason for

Termination" as "Other" and with respect to the language "Job Restructuring/Elimination" as the explanation for the termination; an Order enabling Respondents to file restated Form U-5s in response to Question #3, designating the "Reason for Termination" as "Voluntary", with no explanation required; costs associated with this arbitration; reasonable attorneys' fees; and such other relief as the arbitrators deem just and equitable.

Respondent denied all material allegations and further denied that Claimant was entitled to any of the relief sought.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have resolved the differences between them and have stipulated to this award. In May 2003, Claimant agreed to voluntarily dismiss his claims concerning Respondents' alleged false, misleading and defamatory filings of three Form U-5s. In resolving this claim, Claimant and Respondents have stipulated to an award in which a single arbitrator would: 1) direct the expungement of the three Form U-5s filed on June 12, 2002 and June 14, 2002 for Claimant Mark S. Casady identifying the Reason for Termination (Question #3 of Form U-5) as "Other," and 2) direct Respondents SFSI, SDI, and SISI to file restated Form U-5s for Claimant Mark S. Casady identifying the Reason for Termination (Question #3 of Form U-5) as "Voluntary." Claimant further agrees to voluntarily dismiss all remaining claims against Respondents.

The parties request the undersigned Arbitrator to order the expungement of the June 12, 2002 and June 14, 2002 disclosures in Question #3 of Claimant Mark S. Casady's three Form U-5 filings with respect to the "Reason for Termination" as "Other" and to Order and enable Respondents SFSI, SDI and SISI to file restated Form U-5s in response to Question #3, designating the "Reason for Termination" as "Voluntary," based on the allegation that this language could be potentially defamatory and misleading. This request is based on Claimant's allegation that the current disclosure language is defamatory and misleading, and could also cause future employment problems, all of which were unintended outcomes of the inaccurate disclosure by Respondents. Respondents SFSI, SDI and SISI enter into this Stipulation without any admission of liability or wrongdoing.

Based on the above, Respondents SFSI, SDI and SISI, along with the Claimant, request the undersigned Arbitrator to order the NASD to expunge the disclosure of "Other" and to enable each of the Respondents to restate the "Reason for Termination" as "Voluntary," in order to correct any allegedly defamatory construction of that disclosure, to correct any potentially misleading construction of that language, and to assist in curing any potential employment problems which could result from that language. Please note that NASD does not enable a broker/dealer to amend or restate the designation in Question #3 of Form U-5, but instead requires an express Order issued by an arbitration panel or a court of competent jurisdiction.

AWARD

The parties entered into an agreement to present to the Arbitrator a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Arbitrator grants the motion and enters this award granting the following relief:

1. Based on the allegedly incorrect and/or defamatory nature of the information presently in the CRD system, the undersigned Arbitrator hereby orders expungement of the Response to Question #3 ("Reason for Termination") as "Other" as set forth in Respondents' June 12, 2002 Form U5 submitted by Scudder Distributors, Inc. and June 14, 2002 Forms U5 submitted by Scudder Investor Services, Inc. and Scudder Financial Services, Inc. for Mark S. Casady, from Mr. Casady's registration records maintained by NASD Central Registration Depository ("CRD"). The Arbitrator further orders that the explanation of "Job Restructuring/Elimination" appearing on each one of the three Form U-5s be expunged from the records maintained by the NASD CRD system. The Arbitrator also orders that the original reason for termination be replaced with "Voluntary" on each of the three Scudder Form U5 filings.
2. The parties agree that each party will bear its own costs and fees.
3. Any and all relief not specifically addressed herein is denied.

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 firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Scudder Financial Services, Inc. is a party.

Member Surcharge	= \$1,500.00
Pre-Hearing Process Fee	= \$ 750.00
Total Member Fees	= \$2,250.00

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Scudder Distributors, Inc. is a party.

Member Surcharge	= \$1,500.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
Total Member Fees	= \$2,250.00

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Scudder Investor Services, Inc. is a party.

Member Surcharge	= \$1,500.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
Total Member Fees	= \$2,250.00

Fee Summary

1. Claimant Mark Stephen Casady is solely liable for:

<u>Initial Filing Fee</u>	= \$ 250.00
Total Fees	= \$ 250.00
<u>Less payments</u>	= \$1,250.00
Refund Due to Claimant	= \$1,000.00

2. Respondent SFSI is solely liable for:

<u>Member Fees</u>	= \$2,250.00
Total Fees	= \$2,250.00
<u>Less payments</u>	= \$1,500.00
Balance Due NASD Dispute Resolution	= \$ 750.00

3. Respondent SDI is solely liable for:

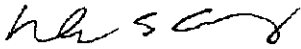
<u>Member Fees</u>	= \$2,250.00
Total Fees	= \$2,250.00
<u>Less payments</u>	= \$2,250.00
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondent SISI is solely liable for:

<u>Member Fees</u>	= \$2,250.00
Total Fees	= \$2,250.00
<u>Less payments</u>	= \$2,250.00
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are due and payable to NASD Dispute Resolution.

Parties' Signatures



Mark Stephen Casady
Claimant

6/11/04

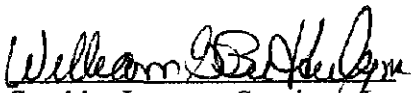
Signature Date

Scudder Financial Services, Inc.
Respondent

Signature Date

Scudder Distributors, Inc.
Respondent

Signature Date


Scudder Investor Services, Inc.
Respondent

Signature Date

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ARBITRATOR

Lucy J. Karl, Esq.

Sole Public Arbitrator

Lucy J. Karl
Lucy J. Karl Esq.
Sole Public Arbitrator

6-24-04
Signature Date

July 6, 2004
Date of Service (For NASD office use only)