

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Charles J. Woelfel & Colette Woelfel

Case Number: 04-08132

Name of the Respondent

Bear, Stearns & Co., Inc.

Hearing Site: Raleigh, North Carolina

Nature of the Dispute: Customers vs. Member.

REPRESENTATION OF PARTIES

Claimants, Charles J. Woelfel and Colette Woelfel, hereinafter collectively referred to as "Claimants", were represented by Mathew E. Bates, Esq., Attorney at Law, Greensboro, North Carolina.

Respondent, Bear, Stearns & Co., Inc., hereinafter referred to as "Respondent", was represented by J. Anthony Penry, Esq., Taylor Penry Rash Riemann, PLLC, Raleigh, North Carolina.

CASE INFORMATION

Statement of Claim filed on November 26, 2004.

Claimants signed the Uniform Submission Agreement on November 18, 2004.

Statement of Answer filed by Respondent on March 7, 2005.

Respondent did not file a Uniform Submission Agreement with NASD Dispute Resolution.

CASE SUMMARY

In the Statement of Claim, Claimants asserted the following causes of action, among others: breach of fiduciary duty, unsuitability, misrepresentation, failure to supervise, *respondeat superior*, and fraud. The causes of action relate to the purchase and sale of various securities, including but not limited to: Ericson Telecommunications technology stock, RF Micro Devices technology stock, Lucent Technologies technology stock and the NASDAQ 100 Trust.

Unless specifically admitted in its Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; Claimants failed to exercise ordinary, reasonable and prudent conduct in the monitoring and review and supervision of their account; failure to mitigate damages; and Respondent acted in good faith and in compliance with all applicable securities laws, regulations and industry standards of conduct at all times.

RELIEF REQUESTED

Claimants in the Statement of Claim requested:

Compensatory Damages	\$ 205,633.32
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Interest	\$ 102,705.96
Other Costs	amount unspecified

Respondent requested that the Statement of Claim be dismissed and that Claimants recover nothing.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim and appeared and testified at the hearing, is bound by the determination of the Arbitration Panel (the "Panel") on all issues submitted.

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, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are denied in their entirety;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
3. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$ 300.00

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. Accordingly, Respondent is a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

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:

One (1) Decision on discovery-related motion on the papers with (1) arbitrator @ \$200.00	= \$ 200.00
Respondent submitted one (1) discovery-related motion	
One (1) Pre-hearing session with Panel @ \$ 1,125.00	= \$ 1,125.00
Pre-hearing conference: June 6, 2005 1 session	
Three (3) Hearing sessions @ \$ 1,125.00	= \$ 3,375.00
Hearing Dates: December 5, 2005 2 sessions	
December 6, 2005 1 session	
Total Forum Fees	= \$ 4,700.00

1. The Panel has assessed \$ 2,350.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$ 2,350.00 of the forum fees to Respondent.

Fee Summary

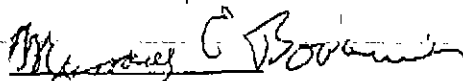
1. Claimants are jointly and severally assessed and shall pay:	
Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,350.00
Total Fees	= \$ 2,650.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,225.00
2. Respondent is assessed and shall pay:	
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,350.00
Total Fees	= \$ 7,550.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 2,350.00

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

ARBITRATION PANEL

Murray E. Bovarnick	-	Public Arbitrator, Presiding Chairperson
Harold G. Koger	-	Public Arbitrator, Panelist
Daniel W. Desmond	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


Murray E. Bovarnick
Public Arbitrator, Presiding Chairperson

12/2/05
Signature Date

Harold G. Koger, Esq.
Public Arbitrator, Panelist

Signature Date

Daniel W. Desmond
Non-Public Arbitrator, Panelist

Signature Date

December 7, 2005
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

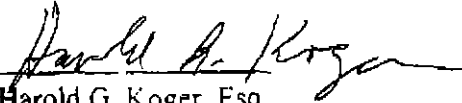
Murray E. Bovarnick
Harold G. Koger
Daniel W. Desmond

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Murray E. Bovarnick
Public Arbitrator, Presiding Chairperson

Signature Date



Harold G. Koger, Esq.
Public Arbitrator, Panelist

12-7-05

Signature Date

Daniel W. Desmond
Non-Public Arbitrator, Panelist

Signature Date

December 7, 2005

Date of Service (For NASD Dispute Resolution office use only)

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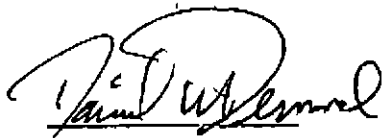
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Public Arbitrator, Presiding Chairperson

Signature Date

Harold G. Koger, Esq.
Public Arbitrator, Panelist

Signature Date



Daniel W. Desmond
Non-Public Arbitrator, Panelist

12/06/05

Signature Date

December 7, 2005

Date of Service (For NASD Dispute Resolution office use only)