

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Matthew J. Trachtenberg (Claimant) v. Bear Stearns & Co., Inc. (Respondent)

Case Number: 04-08460

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant Matthew J. Trachtenberg hereinafter referred to as "Claimant": David E. Robbins, Esq., Kaufmann, Feinew, Yamin, Gildin & Robbins, LLP, New York, NY. Claimant was previously *pro se*.

Respondent Bear Stearns & Co., Inc. hereinafter referred to as "Respondent": Jeffrey A. Mitchell, Esq., Drier LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: December 14, 2004.

Response to Motion to Dismiss filed on or about: February 22, 2005.

Claimant's Response to Respondent's Reply in Further Support of its Motion to Dismiss filed on or about: March 28, 2005.

Claimant signed the Uniform Submission Agreement: December 12, 2004.

Motion to Dismiss and/or Answer filed by Respondent on or about: February 4, 2005.

Reply in Further Support of its Motion to Dismiss filed by Respondent on or about: March 14, 2005.

Respondent Bear Stearns signed Uniform Submission Agreement: February 3, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentation, omission of facts, failure to supervise and churning. The cause of action relate to Digital Courier Technologies stock.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$267,458.00.

Respondent requested the dismissal of the Statement of Claim and an award declaring that Bear Stearns has no liability to Claimant and directing Claimant to bear all costs incurred by Bear Stearns in defending this proceeding, including reasonable attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing, Claimant withdrew his claim for churning.

At the hearing Respondent moved to dismiss Claimant's case on the basis that Claimant failed to make a prima facie case. After due deliberation the Panel denied the motion.

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.

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. Claimant's claims are denied in their entirety.
2. 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	= \$ 300.00
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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. Accordingly, Bear Stearns & Co., Inc. is a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

December 16, 19-20, 2005 adjournment by Respondent	= \$1,125.00
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Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, 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) one arbitrator @ \$200.00 = \$ 200.00

Claimant submitted (one) discovery-related motion

One (1) Pre-hearing session with a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: August 23, 2005 1 session

Two (2) Pre-hearing session with Panel @ \$1,125.00 = \$2,250.00
Pre-hearing conference: April 26, 2005 1 session
November 11, 2005 1 session

Six (6) Hearing sessions @ \$1,125.00 per session = \$6,750.00
Hearing Dates: June 19, 2006 2 sessions
June 20, 2006 2 sessions
June 21, 2006 2 sessions

Total Forum Fees = \$9,650.00

1. The Panel has assessed \$4,825.00 of the forum fees to Claimant.
2. The Panel has assessed \$4,825.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 4,825.00
Total Fees	= \$ 5,125.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 3,700.00

2. Respondent Bear Stearns is solely liable for:

Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 1,125.00
Forum Fees	= \$ 4,825.00
Total Fees	= \$11,150.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 5,950.00

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


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ARBITRATION PANEL

Mitchell S. Friedman, Esq.	-	Public Arbitrator, Presiding Chairperson
Rory M. McLaughlin, Esq.	-	Public Arbitrator
Judith E. Gross, Esq.	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures



Mitchell S. Friedman, Esq.
Public Arbitrator, Presiding Chairperson

6/23/06

Signature Date

Rory M. McLaughlin, Esq.
Public Arbitrator

Signature Date

Judith E. Gross, Esq.
Non-Public Arbitrator

Signature Date

June 28, 2006
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

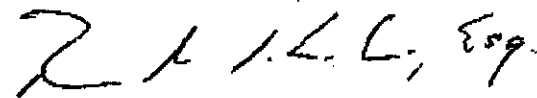
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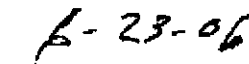
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6/22/06

Signature Date

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