

Stipulated Award

NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Stephens, Inc.

Case Number: 06-00532

Name of the Respondent
John Ballard

Hearing Site: Memphis, Tennessee

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For Stephens Inc., hereinafter referred to as "Claimant": Jana Kim Keller, Esq., Associate General Counsel, Stephens, Inc., Little Rock, Arkansas.

John Ballard, hereinafter referred to as "Respondent," appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: January 31, 2006.

Claimant signed the Uniform Submission Agreement: February 6, 2006.

Respondent signed the Uniform Submission Agreement: March 9, 2006.

Respondent did not file a Statement of Answer.

CASE SUMMARY

Claimant asserted a cause of action in the Statement of Claim for breach of promissory note. The cause of action relates to a promissory note entered during Respondent's employment with Claimant.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the total amount of \$62,085.73; 2) interest in the amount of \$3,010.75; 3) attorneys' fees; 4) costs; and, 5) all other relief to which it may be entitled.

Respondent did not delineate a relief request.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 13, 2006, the parties filed with NASD Dispute Resolution a notice of settlement and request for the entry of a Stipulated Award confirming the terms of the parties' Settlement Agreement and Consent to Award. On or about October 23, 2006, the Panel entered an Order granting the parties' request.

The parties agreed that the Stipulated Award in this matter may be executed in

counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the Panel orders as follows, pursuant to the parties' joint stipulation:

1.) Respondent is liable and shall pay to Claimant \$64,210.51, comprised of the following amounts:

Principle	\$50,000.00
Interest as of 03/02/06	<u>3,282.52</u>
Total on Note	\$53,282.52
Deficit Draw	9,770.24
Limousine & Copy Service	1,157.75
Total due Stephens, Inc.	<u>\$64,210.51</u>
Daily Interest Accrual on Note	5.33

2.) Daily Interest Accrual on Note is to begin on March 2, 2006 until the Award is paid.

3.) Any and all requests for relief not specifically addressed herein, including Claimant's request for attorneys' fees, is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 = \$1,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Claimant is a party and a member firm.

Member surcharge	= \$1,100.00
<u>Pre-hearing process fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$1,850.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

There were no injunctive relief fees assessed during these proceedings.

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 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 @ \$750.00 per session	= \$750.00
Pre-hearing conference: June 28, 2006 1 session	

Total Forum Fees	= \$750.00
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The Panel has assessed forum fees in the amount of \$375.00 to Claimant.
The Panel has assessed forum fees in the amount of \$375.00 to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs assessed during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 1,850.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 3,225.00

Less payments	= \$ 3,225.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

Forum Fees	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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

ARBITRATION PANEL

Charles W. Hill, Esq.
James T. Ritt, Esq.
William Stephen Lee

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

Concurring Arbitrators' Signatures

Charles W. Hill, Esq
Non-Public Arbitrator, Presiding Chairperson

November 3, 2006
Signature Date

James T. Ritt, Esq.
Public Arbitrator

November 7, 2006
Signature Date

William Stephen Lee
Non-Public Arbitrator

November 3, 2006
Signature Date

November 8, 2006
Date of Service (For NASD Dispute Resolution office use only)

<u>Less payments</u>	= \$ 3,225.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

<u>Forum Fees</u>	= \$ 375.00
<u>Total Fees</u>	= \$ 375.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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Charles W. Hill, Esq.
James T. Ritt, Esq.
William Stephen Lee

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

Concurring Arbitrators' Signatures

Charles W. Hill

Charles W. Hill, Esq.
Non-Public Arbitrator, Presiding Chairperson

11-3-06
Signature Date

James T. Ritt, Esq.
Public Arbitrator

Signature Date

William Stephen Lee
Non-Public Arbitrator

Signature Date

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

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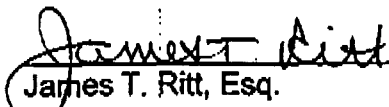
Charles W. Hill, Esq.
James T. Ritt, Esq.
William Stephen Lee

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

Concurring Arbitrators' Signatures

Charles W. Hill, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



James T. Ritt, Esq.
Public Arbitrator

11-7-06

Signature Date

William Stephen Lee
Non-Public Arbitrator

Signature Date

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

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Respondent is solely liable for:

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ARBITRATION PANEL

Charles W. Hill, Esq.
James T. Ritt, Esq.
William Stephen Lee

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

Concurring Arbitrators' Signatures

Charles W. Hill, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

James T. Ritt, Esq.
Public Arbitrator

Signature Date



William Stephen Lee
Non-Public Arbitrator

11-3-06

Signature Date

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