

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In The Matter of The Arbitration Between

Bear, Stearns & Co., Inc.

Claimant (X)

Award

NASD No. 88-03760

vs.

Benjamin C. Baron

v.

Respondent (X)

& Cross-Claimant

Bear, Stearns & Co., Inc. et al

SUMMARY OF ISSUES

This case was filed on with the NASD on December 12, 1988. Claimant alleged an unsecured debit balance in the index futures account of Respondent. Respondent alleged the debit balance in his account arose because of the breach of fiduciary duty of Cross-Respondents, and further alleged his account was churned.

At the hearing on February 23, 1990, Cross-Respondent Ron Fox was dismissed as a party to this action.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of \$32,721 plus
prejudgment interest (at 10%) of \$8,191, and \$12,000
attorney's fees, and \$1500 costs of arbitration

Respondent requested damages of \$60,000 plus
interest, and dismissal of the claim for
the unsecured debit balance and associated costs.

DAMAGES AND RELIEF AWARDED

On February 23, 1990, in Los Angeles, California,
the undersigned arbitrators heard the controversy, in 3 session(s),
between the parties as set forth in submissions to arbitration signed by
Claimant(s) on November 30, 1988, by Benjamin Baron on
May 2, 1989, by Ron Fox on July 7, 1989, by Richard
McConnell on July 10, 1989, and by Michael Snowden
and by Respondent(s) on August 4, 1989.

The arbitration panel, having considered the pleadings, the testimony, and the
evidence presented at the hearing, has determined in full and final resolution
of the issues submitted for determination as follows:

1. Respondent Baron is liable for and shall
pay to Bear Itearns the sum of \$32,721 for the
unsecured debit balance, plus \$8,191 in ^{prejudgment} interest
thereon, and \$12,000 in attorney's fees and \$500 in costs,
for a total of \$53,412.

2. The cross-claim asserted by
Respondent Baron is dismissed.


~~The parties shall each bear their respective costs including attorneys' fees.~~

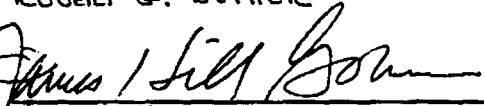
3. In accordance with Section 43 of the National Association of Securities Dealers, Inc (NASD) Code of Arbitration Procedure, the NASD shall retain/refund the \$1000⁰⁰ filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrator(s).


OTHER ISSUES

ARBITRATORS CONCURRING

DATE SERVED: 03/02/90


ROBERT G. SETHER


JAMES HILL GORMSEN


WILLIAM C. RICHARDSON

ARBITRATORS DISSENTING
