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**AWARD**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant  
Haas Group, Inc.

Case Number: 96-03104

Names of the Respondents  
Bear Stearns & Co., Inc.  
Robert G. Sievwright, II

Hearing Site: Atlanta, Georgia

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Nature of the Dispute: Customer vs. Member and Associated Person.

**REPRESENTATION OF PARTIES**

For Haas Group, Inc. ("Haas"), hereinafter referred to as "Claimant": Marshall Haas, President, Haas, Atlanta, Georgia.

For Bear Stearns & Co., Inc. ("Bear Stearns") and Robert G. Sievwright, II ("Siewwright"), hereinafter collectively referred to as "Respondents": Brett A. Rogers, Esq. and Jill E. Steinberg, Esq., Rogers & Hardin LLP, Atlanta, Georgia.

**CASE INFORMATION**

Statement of Claim filed on or about: July 16, 1996.

Claimant Haas signed the Uniform Submission Agreement: July 10, 1996.

Statement of Answer filed by Respondents Bear Stearns and Sievwright on or about: September 26, 1996.

Respondents Bear Stearns and Sievwright did not file executed Uniform Submission Agreements.

Consent Order Referring Issues to Arbitration filed on or about: February 10, 2003.

**CASE SUMMARY**

Claimant asserted the following causes of action: violations of statutory and common law and industry rules and regulations; unsuitable, excessive and other improper trading; deceptive practices; breaches of common law fiduciary duty; common law negligence; unjust enrichment; breach of implied contract; common law fraud; recklessness; gross misfeasance and malfeasance; and, failure to supervise. The causes of action relate to trading in Claimant's accounts in shares of stock of Hilton Hotel, Lotus Development,

Fannie Mae stocks and warrants, AMR Corp., AST Research, Lotus Fibronics, and Dell Computer.

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

### **RELIEF REQUESTED**

Claimant requested actual damages in the sum of not less than \$3,200,000.00; prejudgment interest; attorney's fees and costs and expenses of litigation; exemplary damages in sums deemed appropriate; actual damages, trebled; and, such other and further relief as is just and appropriate.

Respondents requested that Claimant's claims be dismissed and further requested an award of attorneys' fees and expenses.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about December 11, 2003, NASD Dispute Resolution was informed that Robert G. Sieviewright, II had filed for bankruptcy protection pursuant to Chapter 7 of the United States Bankruptcy Code. Thereafter, on or about April 5, 2004, a Discharge of Debtor was issued with respect to Robert G. Sieviewright. Respondents informed the arbitration panel that the claims asserted in this matter were not discharged. As such, Respondent Sieviewright appeared through counsel at the evidentiary hearing.

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

At the conclusion of Claimant's case, Respondents asserted a motion to dismiss for Claimant's failure to prosecute his claims which was granted by the arbitration panel.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims are dismissed for Claimant's failure to present any evidence on behalf of its claim and to prosecute its claim.

The parties' requests for attorneys' fees are denied.

Any and all claims for relief not specifically addressed herein, including Claimant's requests for exemplary and treble damages, are 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

### **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, Bear Stearns is a party and a member firm.

Member surcharge = \$500.00

### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

January 13, 14, 20 and 21, 1998 hearing dates, adjournment by Respondents  
= \$1,500.00.

March 22, 23, 24, 25 and 26, 2004 hearing dates, adjournment by Claimant  
= \$1,500.00.

### **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:

No three-day cancellation fees were incurred in this matter.

### **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.

No injunctive relief fees were incurred in this matter.

### **Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$300.00/session = \$600.00

Pre-hearing conferences:	October 15, 1997	1 session	
	January 23, 1998	1 session	
Two (2) Pre-hearing sessions with the Panel @ \$1,500.00			= \$3,000.00
Pre-hearing conferences:	February 26, 1998	1 session	
	March 25, 2003	1 session	
One (1) Hearing session @ \$1,500.00/session			= \$1,500.00
Hearing Date:	October 26, 2004	1 session	
<hr/> Total Forum Fees			= \$5,100.00

The Panel has assessed the total forum fees of \$5,100.00 to Claimant and thereafter waived said forum fees due to the financial hardship of Claimant.

#### **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 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 incurred in this matter.

#### **Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$1,500.00
Forum Fees	= \$ waived
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Total Fees	= \$1,800.00
<u>Less payments</u>	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Bear Stearns is solely liable for:

Member Fees	= \$ 500.00
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Total Fees	= \$ 500.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 500.00

Respondents are jointly and severally liable for:

Adjournment Fee	= \$1,500.00
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Total Fees	= \$1,500.00
<u>Less payments</u>	= \$ 0.00
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Balance Due NASD Dispute Resolution

= \$ 1,500.00

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

**ARBITRATION PANEL**

A. Keith Logue, Esq.	-	Public Arbitrator, Presiding Chairperson
Kendall P. Hill	-	Public Arbitrator
Peggy Lewis Kennedy	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

\_\_\_\_\_/S/\_\_\_\_\_  
A. Keith Logue, Esq.  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

\_\_\_\_\_/S/\_\_\_\_\_  
Kendall P. Hill  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_/S/\_\_\_\_\_  
Peggy Lewis Kennedy  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

November 1, 2004

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

Balance Due NASD Dispute Resolution

= \$ 1,500.00

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**ARBITRATION PANEL**

A. Keith Logue, Esq.	-	Public Arbitrator, Presiding Chairperson
Kendall P. Hill	-	Public Arbitrator
Peggy Lewis Kennedy	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**



A. Keith Logue, Esq.  
Public Arbitrator, Presiding Chairperson

10-28-04  
Signature Date

Kendall P. Hill  
Public Arbitrator

\_\_\_\_\_  
Signature Date

Peggy Lewis Kennedy  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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

Balance Due NASD Dispute Resolution

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A. Keith Logue, Esq.  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

Kendall P. Hill  
Kendall P. Hill  
Public Arbitrator

10/29/04  
Signature Date

\_\_\_\_\_  
Peggy Lewis Kennedy  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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

Balance Due NASD Dispute Resolution = \$ 1,500.00

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**ARBITRATION PANEL**

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Kendall P. Hill	-	Public Arbitrator
Peggy Lewis Kennedy	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

A. Keith Logue, Esq.  
Public Arbitrator, Presiding Chairperson

Signature Date

Kendall P. Hill  
Public Arbitrator

Signature Date

  
Peggy Lewis Kennedy  
Non-Public Arbitrator

10/29/2004  
Signature Date

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