

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of Claimants

Lee Rogers and Lillian F. Ingram

vs.

Case Number: 97-02224
Hearing Site: Detroit, Michigan

Names of Respondents

Kensington Wells, Inc. and
Bear Stearns Securities Corporation

NATURE OF THE DISPUTE

Customers vs. Members

REPRESENTATION OF PARTIES

Lee Rogers and Lillian F. Ingram ("Claimants") were represented by Keith T. Murphy, Esq., Clarkston, Michigan.

Kensington Wells, Inc. ("KWI") was represented by Robert L. Magielnicki, Jr., Esq., Lehman & Eilen, Uniondale, New York.

Bear Stearns Securities Corporation ("BSSC") was represented by Phillip C. Korovesis, Esq., Butzel Long, Detroit, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about May 5, 1997. The Submission Agreement of Claimants was signed on or about April 11, 1997.

The Statement of Answer was filed by KWI on or about June 27, 1997. The Submission Agreement of KWI was signed on or about November 10, 1997 by Elias Tacher, Chairman.

The Statement of Answer was filed by BSSC on or about June 17, 1997. The Submission Agreement of BSSC was signed on or about June 11, 1997, by Raymond L. Aronson, Senior Managing Director.

BSSC filed a Motion to Dismiss and Affidavit in Support Thereof on or about January 21, 1998.

Claimants filed a Request to Reinstate and Schedule the Arbitration on or about May 9, 2006. BSSC filed a Response to Claimants' Request on or about June 20, 2006, and requested that its pending Motion to Dismiss be heard.

CASE SUMMARY

Claimants asserted the following causes of action: negligence and misrepresentation. Claimants asserted that BSSC failed to meet its duty of care to Claimants by failing to ensure that Claimants would not suffer the losses alleged by Claimants. Claimants' claims involved unspecified securities.

Unless specifically admitted in its Answer, BSSC denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: BSSC performed the role of clearing broker on a fully disclosed basis and fully complied with NYSE Rules, and as such cannot be liable for the alleged wrongdoing set out in Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$52,158.52
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified

Respondent BSSC requested that the claims asserted against it be dismissed in their entirety and that it be awarded its costs.

OTHER ISSUES CONSIDERED & DECIDED

Kensington Wells, Inc. filed a voluntary Chapter 11 Petition in United States Bankruptcy Court on or about January 14, 1998, and arbitration of the claim against it is subject to an automatic stay. The Panel did not adjudicate any claims against Respondent KWI.

Claimants' counsel, although initially present and available for the scheduled telephonic hearing on December 20, 2006, of which he received notice, elected to leave the conference before it began, stating to the conference operator that he lacked time to participate. Claimants' counsel did not address the Panel. No request for an adjournment was made. The Panel determined that arbitration of the matter would proceed without Claimants' counsel present, in accordance with the NASD Code of Arbitration Procedure.

At the pre-hearing on December 20, 2006, the Panel determined that Claimants' Motion to Reinstate was not at issue and the Panel granted BSSC's Motion to Dismiss.

The party present at the pre-hearing conference has 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 the evidence presented at the pre-hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimants' claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 3.) Any relief not specifically enumerated, including attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial Claim filing fee = \$ 150.00

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. In this matter, the member firms are Kensington Wells, Inc. and Bear Stearns Securities Corporation.

Member surcharge = \$ 300.00

Adjournment Fees

Adjournments granted during these proceedings:

March 4-5, 1998, adjournment requested by BSSC = \$ 500.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing 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) Pre-hearing session with Panel x \$500.00	= \$ 500.00
Pre-hearing conference: December 20, 2006 1 session	
Total Forum Fees	= \$ 500.00

The Panel has assessed \$500.00 of the forum fees jointly and severally to Lee Rogers and Lillian F. Ingram.

FEE SUMMARY

Claimants, Lee Rogers and Lillian F. Ingram, are jointly and severally liable for:

Initial Filing Fee	= \$ 150.00
Adjournment Fee	= \$ 250.00
Forum Fees	= \$ 500.00
Total Fees	= \$ 900.00
Less payments	= \$ 900.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Bear Stearns Securities Corporation, is liable for:

Adjournment Fee	= \$ 250.00
Member Fees	= \$ 300.00
Total Fees	= \$ 550.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 550.00

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

ARBITRATION PANEL

Martin B. Breighner, Esq. - Public Arbitrator, Presiding Chair
Brace K. Case, Esq. - Public Arbitrator
Norman A. Samson - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ Martin B. Breighner, Esq.
Martin B. Breighner, Esq.
Public Arbitrator, Presiding Chair

01/25/07
Signature Date

Brace K. Case, Esq.
Public Arbitrator

Signature Date

/s/ Norman A. Samson
Norman A. Samson
Non-Public Arbitrator

01/24/07
Signature Date

01/25/07
Date of Service (For NASD office use only)

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Martin B. Breighner, Esq.
Public Arbitrator, Presiding Chair

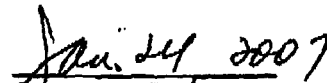
Signature Date

Brace K. Case, Esq.
Public Arbitrator

Signature Date



Norman A. Samson
Non-Public Arbitrator



Signature Date

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Bruce K. Case, Esq. - Public Arbitrator
Norman A. Sameon - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Martin B. Breighner
Martin B. Breighner, Esq.
Public Arbitrator, Presiding Chair

1-25-07
Signature Date

Bruce K. Case, Esq.
Bruce K. Case, Esq.
Public Arbitrator

Signature Date

Norman A. Sameon
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