

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:
Cannata Family Trust, Claimant vs. Bear Stearns & Company and Matthew J. Pickett, Respondents

Case Number: 99-02234

Hearing Site: Houston, TX

REPRESENTATION OF PARTIES

Claimant, Cannata Family Trust, referred to as ("Claimant"): Sean Greenwood, Esq. and Don Fogel, Esq., Ware, Snow, Fogel, Jackson & Greene, P.C., Houston, TX.

Respondents, Bear Stearns & Company and Matthew Pickett, hereinafter collectively referred to as ("Respondents"): Arlene Samaya, Esq., Bear Stearns & Company, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: May 14, 1999.

Claimant, Cannata Family Trust, signed the Uniform Submission Agreement: May 12, 1999

Joint Statement of Answer filed by Respondents, Bear Stearns & Company and Matthew Pickett, on or about: August 17, 1999.

Respondent, Bear Stearns & Company signed the Uniform Submission Agreement: August 13, 1999.

Respondent, Matthew Pickett signed the Uniform Submission Agreement: July 27, 1999.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, negligence, breach of fiduciary duty and vicarious liability on the part of Bear Stearns. The causes of action relate to the failure to execute an order to purchase 1000 shares of Qualcomm stock when the stock fell below the price of \$140.00 per share.

Respondents Bear Stearns and Pickett denied all the allegations made in the Statement of Claim and asserted the following defenses: the statement of claim fails to state a cause of action upon which relief can be granted, the claim is barred

by applicable statutes of limitation, any losses sustained were the proximate cause of claimant's conduct, the claimant failed to use care in handling his account, any losses are the direct result of market conditions beyond the control of respondents, the claimants failed to mitigate their damages, the claimant is barred from recovery because respondents acted according to industry standards and claimants ratified all transactions in their account.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$92,000
Punitive Damages	\$0
Interest	\$unspecified
Attorneys' Fees	\$unspecified
Other Costs	\$unspecified
Other Monetary/Non-Monetary Relief if any:	none

Respondents Bear Stearns and Pickett requested:

Compensatory Damages	\$0
Punitive Damages	\$0
Interest	\$0
Attorneys' Fees	\$0
Other Costs	\$0
Other Monetary/Non-Monetary Relief if any:	Expungement of Pickett's CRD record

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing, Claimants reduced their claim for damages to \$40,000.00. Also, at the hearing, Respondent, Pickett's counsel requested that any reference to the matter be expunged from his Central Registration Depository record.

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 Arbitration Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The claim asserted against Bear Stearns and Pickett by the Cannata Family Trust is denied and dismissed in its entirety; and,
2. The panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Matthew J. Pickett's registration records maintained by the NASD Central Registration Depository (CRD), with the understanding that pursuant to Notice to Members 99-09, Respondent, Matthew J. Pickett must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$225.00
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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 firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is Bear Stearns & Company.

Member surcharge	= \$1000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1500.00

Adjournment Fees

Adjournments requested during these proceedings: None

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 sessions with Panel x \$750.00	= \$750.00
Pre-hearing conference Date: February 7, 2000	1 session
Two (2) Hearing sessions x \$750.00	= \$1500.00
Hearing Date: August 8, 2000	2 sessions

Total Forum Fees = \$2250.00

1. The Arbitration Panel has assessed \$1125.00 of the forum fees to Cannata Family Trust.
2. The Arbitration Panel has assessed \$1125.00 of the forum fees to Bear Stearns & Company.
3. The Arbitration Panel has assessed \$0.00 of the forum fees to Matthew J. Pickett.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

None assessed

Fee Summary

1. Claimant, Cannata Family Trust, be and hereby is solely liable for:

Initial Filing Fee	= \$ 225.00
Member Fees	= \$ 0.00
Adjournment Fee	= \$ 0.00
Forum Fees	= \$1125.00
<u>Administrative Costs</u>	= \$ 0.00
Total Fees	= \$1350.00
<u>Less payments</u>	= \$ 975.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 375.00
2. Respondent, Bear Stearns, be and hereby is solely liable for:

Type Filing Fee	= \$ 0.00
Member Fees	= \$3100.00
Adjournment Fee	= \$ 0.00
Forum Fees	= \$1125.00
<u>Administrative Costs</u>	= \$ 0.00
Total Fees	= \$4225.00
<u>Less payments</u>	= \$3100.00
Balance Due NASD Dispute Resolution, Inc.	= \$1125.00

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All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures



Richard P. Flake
Public Arbitrator, Presiding Chair

10/4/00
Date

Charles Callery
Public Arbitrator

Date

John C. Russell
Industry Arbitrator

Date

10/12/00
Date of Service
(For NASD Dispute Resolution, Inc. office use only)

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Concurring Arbitrators' Signatures

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Public Arbitrator, Presiding Chair

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Charles Callery
Public Arbitrator

10-10-00
Date

John C. Russell
Industry Arbitrator

Date

10/12/00
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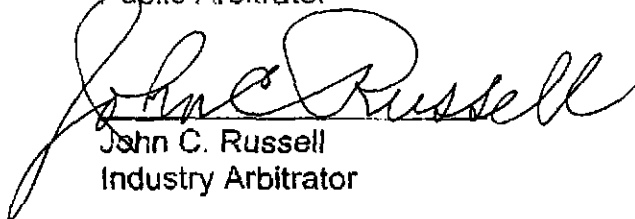
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