

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Tommy E. Thompson, Individually and as Executor of the Estate of Aileen H. Thompson Claimant vs. Meyers Pollack Robbins, Inc., Michael Ploshnick, Shelli Ploshnick, and Bear Sterns Securities Corp., Respondents.

Case Number: 99-02364

Hearing Site: Houston, TX

REPRESENTATION OF PARTIES

Claimant, Tommy E. Thompson, Individually and as Executor of the Estate of Aileen H. Thompson hereinafter referred to as "Claimant" was represented by William S. Sheperd, Esq. of William Sheperd & Associates, Houston, TX.

Respondents Meyers Pollack Robbins, Inc., hereinafter referred to as "MPR," Michael Ploshnick, Shelli Ploshnick, and BearSterns Securities Corp., hereinafter referred to as "BSSC", were represented by John C. Allen, Esq. of John C. Allen, P.C., Houston, TX .

CASE INFORMATION

Statement of Claim filed on or about: March 24, 1999

Claimant, Tommy E. Thompson, signed the Uniform Submission Agreement: April 22, 1999.

A joint Statement of Answer was filed by all Respondents on or about: August 30, 1999.

Respondent, BSSC, signed the Uniform Submission Agreement: September 1, 1999.

CASE SUMMARY

Claimant assert the following causes of action:

1. Breach of Contract and Warranties;
2. Promissory Estoppel;
3. Violation of Texas Deceptive Trade Practices- Consumer Protection Act;
4. Violation of The Federal Securities Exchange Act of 1934, 15 U.S.C. Section 78(a), et seq., specifically, the NASD Rules of Fair Practice, Article III, Sections (2), (15), (27) and (28);

5. Violation of Section 10(b) and Rule 10b-5; fraud, breach of fiduciary duty breach of written contract and negligence;
6. Violation of State Security Statutes;
7. Violation of 27.01 of Texas Business and Commerce Code;
8. Intentional and negligent misrepresentations of material fact;
9. Vicarious responsibility of MPR and/or BSSC for the acts of their agents/employees.

The above causes of action relate to the following facts: On June 12, 1998, Claimant was awarded a total of \$737,156.00, plus interest, against MPR in NASD Arbitration 96-02458. The Award in favor of Claimant in the 1998 action was never satisfied by MPR. Claimant alleged that the individual Respondents in this case at all times have been the principals and control persons of MPR and merely used the corporate entity as a shell for personal financial gain. MPR has since gone out of business but still has substantial assets at BSSC. Claimant alleged that the funds are being held by BSSC to cover claims involving MPR. Thus, Claimant has filed a new action against BSSC, MPR and the individual respondents mentioned above.

Unless specifically admitted in their Answer, all Respondent deny the allegations made in the Statement of Claim and assert the following defenses:

1. Claimant's action is barred by the doctrines of res judicata and collateral estoppel.
2. MPR did not appear at the 1998 hearing, thus, Claimant was granted a default judgment. Moreover, much of the award was comprised of punitive damages, attorneys' fees and pre-judgment interest. Therefore, the imposition of this award against BSSC would violate due process.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 5,000,000.00
Respondents Requested	
Attorneys' Fees	\$ Unspecified
Other Costs	\$ Unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned Panel determined that Respondents have been properly served with the Statement of Claim and received due notice of the hearing.

Respondents, MPR, Michael Politick and Shelli Ploshnick did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

On September 1, 2000, Respondent, BSSC filed a motion to dismiss the Statement of Claim. The motion was considered and denied by the panel.

Michael Ploshnick and Shelli Posnick waived their rights to be present at the hearing if Claimant agreed to not to seek any personal liability against them and to seek recourse only against the funds of MPR which were being held by BSSC. Claimant agreed.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing the Panel has decided in full and final resolution of the issues submitted for determination as follows: ***In favor of the Claimant and against the Respondents. The Claimant is granted an equitable lien in the amount of \$737,156 against the assets of Meyers Pollock Robbins, Inc. held by Bear Sterns Securities Corp. as security for the claims against it related to Meyers Pollock & Robbins' Inc., Clearing accounts. This Award is against all respondents, however, Claimant takes nothing against Respondents Michael Plochnick and Shelli Ploshnick individually. All forum fees shall be paid by Bear Sterns Securities Corp. Bear Sterns Securities Corp. shall reimburse Claimant for the filing fee.***

Any and all relief not specifically addressed herein, is denied.

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	= \$1,200
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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 firms that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is BSSC.

Member surcharge	= \$2,500.00
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Pre-hearing process fee	= \$4,500.00
Hearing process fee	= \$600.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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:

Two (2) Pre-hearing session with Panel x 1,200	= \$2400
Pre-hearing conferences: March 30, 2000	
April 19, 2000	
2 sessions	
Two (2) Hearing sessions x \$1200	= \$2400
Hearing Date(s): November 6, 2000	2 sessions
Total fee assessment	= \$4,800

1. The Panel has assessed \$4800 of the forum fees to Respondent, BSSC

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$1,200
(To be reimbursed by BSSC)	
Hearing session deposit	= \$ 600
Total Fees	= \$ 1,800
(Refunded by NASD)	
Less payments	= \$ 1,800
Balance Due NASD Dispute Resolution, Inc.	= \$ 0

3. Respondent, BSSC , be and hereby is solely liable for:

Member Fees	= \$ 7,600
Forum Fees	= \$ 4,800
Total Fees	= \$ 12,400
Less payments	= \$ 7600
Balance Due NASD Dispute Resolution, Inc.	= \$ 12,400

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signature(s)

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Consenting Arbitrators' Signature(s)

Frank Cheselli

Frank V. Gishelli Jr. Esq.
Public Arbitrator, Presiding Chair

3/01/01
Signature Date

Walter A. Wright

Walter A. Wright, Esq.
Public Arbitrator

03/01/01
Signature Date

Christine W. Powell
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

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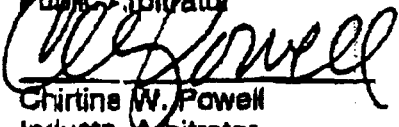
Concurring Arbitrators' Signature(s)

Frank v. Gishelli Jr. Esq.
Public Arbitrator, Presiding Chair

Signature Date

Walter A. Wright, Esq.
Public Arbitrator

Signature Date


Christine W. Powell
Industry Arbitrator

3-06-2001
Signature Date

3/19/01
Date of Service (For NASD-DR office use only)