

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Brian S. Atlas,
Claimant

Vs.

Keaton Financial Services, Inc.,
William Warfield, and
Bear Stearns Securities Corp.,
Respondents.

Case Number: 99-02770

Hearing Site: Houston, Texas

REPRESENTATION OF PARTIES

Claimant, Brian S. Atlas, hereinafter referred to as "Claimant", initially represented by Richard A. Kraslow, of Richard A. Kraslow, P.C., Melville, NY, was represented at the arbitration by Stephen E. Toomy, of Houston, TX. Mark J. Astarita, Esq., of Beam & Astarita, Bloomfield, NJ, represented Respondent, Bear Stearns Securities Corp. Respondent, Keaton Financial Services, Inc. originally represented by Mark J. Asterita, Esq., did not appear and was not represented by counsel at the arbitration. Respondent, William Warfield, of Brooklyn, NY, was not represented by counsel.

CASE INFORMATION

Statement of Claim filed on or about: June 9, 1999.
Claimant signed the Uniform Submission Agreement on June 9, 1999
Statement of Answer filed by Respondent, Bear Stearns Securities Corp., on or about October 6, 1999.
Statement of Answer filed by Respondent Keaton Financial on or about October 6, 1999.
Respondent William Warfield did not file an answer.

CASE SUMMARY

Claimant asserted the following causes of action:

1. Respondent, Keaton Financial Services, Inc., failed and refused to properly supervise and/or monitor the actions/or conduct of its employees, namely, the Respondent Keaton Financial Services Inc.,
2. Respondent Keaton Financial Services, Inc., failed and refused to properly supervise and/or monitor the actions/or conduct of Respondent, William Warfeild;
3. Respondent Keaton financial, without the knowledge and/or consent of the Claimant, executed a trade resulting in damages to the Claimant in the amount of \$52,236.75.

These allegations are in connection with sale of common stock.

Unless specifically admitted in its Answer, Respondents, Keaton Financial Services Inc., and Bear Stearns Securities Corp. denied the allegations made in the Statement of Claim and asserted the following defenses:

1. The Statement of Claim does not set forth facts upon which relief can be granted;
2. The Respondents followed the Claimant's instructions regarding the stock trades in issue;
3. There is no factual or legal basis for Claimant's allegations.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$52,236.75.
Punitive Damages	\$ 0
Interest	\$Unspecified
Attorneys' Fees	\$Unspecified
Other Costs	\$Unspecified
Other Monetary/Non-Monetary Relief if any:	

Respondents requested that claimants action be dismissed

OTHER ISSUES CONSIDERED AND DECIDED

On December 13, 1999, Claimant dismissed his claim against Bear Stearns

Securities Corp. In February of 2001, Keaton Financial Services Inc., brought a motion to dismiss the claim due to Claimant's alleged failure to adequately respond to discovery. The Panel denied this motion.

Respondent Keaton requested permission for Mr. Munshani to appear as a witness for Keaton Financial Services Inc. by telephone. The Panel granted his request.

NASD-DR was unable to perfect service upon Respondent, William Warfield. Claimant could not provide an alternative address for Mr. Warfield. As a result, the arbitration proceeded without this Respondent.

Respondents Bear Stearns Securities Corp. and Keaton Financial Services Inc. did not file with the NASD Dispute Resolution, Inc. properly executed submission to arbitration agreements but are required to submit to arbitration pursuant to the Code and having answered the claim. In addition, Respondent, Keaton Financial Services Inc., appeared and testified at the hearing, and is bound by the determination of the Panel on all issues submitted.

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:

1. Keaton Financial Services Corp. is liable and shall pay to the Claimant \$37, 500.00 in compensatory damages.
2. Unless specifically enumerated herein, the parties shall bear their own Costs and attorneys' fees.

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	= \$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 firms that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firms are the Respondent's firms, Bear, Stearns Securities Corp. and Keaton Financial Services.

Member surcharge	= \$1000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Adjournment Fees

Adjournments requested during these proceedings:

July 17 & 18, 2000, by Keaton Financial Services = \$ 750.00

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 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 a single Arbitrator x 450	= \$ 450.00
February 22, 2001	
Two (2) Pre-hearing session(s) with Panel x \$750	= \$1,500.00
Pre-hearing conferences: February 18, 2000 1 session	
February 21, 2001 1 session	

One (1) Hearing sessions x \$750	= \$750.00
Hearing Dates: February 26, 2001 1 session	

Total Forum Fees	= \$ 2,700.00
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1. The Panel has assessed \$2700.00 of the forum fees to Respondent, Keaton Financial Services.

Fee Summary

1. Claimant, is solely liable for:

Initial Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
<u>Less payments</u>	<u>= \$ 975.00</u>
Balance Refunded by NASD Dispute Resolution, Inc.	= \$ 750.00

2. Respondent, Keaton Financial Services, is solely liable for:

Member Fees	= \$ 3,100.00
Adjournment Fee	= \$ 750.00
Forum Fees	= \$ 2,700.00
Total Fees	= \$ 6,850.00
<u>Less payments</u>	<u>= \$ 3,850.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,700.00

4. Respondents, Bear, Stearns Securities Corp. is solely liable for:

Member Fees	= \$1600.00
<u>Less payments</u>	<u>= \$ 600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1000.00

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signature(s)

Theodore E. Davis, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Walter J. McCoy, PhD, JD
Public Arbitrator

Signature Date

Mark C. Walter, J.D.
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

Atlas v. Kcaton NASD-DR # 99-02770

p. 5 of 5


Total Fees	= \$ 6,850.00
<u>Less payments</u>	<u>= \$ 3,850.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,700.00

4. Respondents, Bear, Stearns Securities Corp. is solely liable for:

Member Fees	= \$1,600.00
<u>Less payments</u>	<u>= \$ 600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,000.00

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures


Theodore E. Davis, Esq.
Public Arbitrator, Presiding Chair

April 17 2001
Signature Date

Walter J. McCoy, PhD, JD
Public Arbitrator

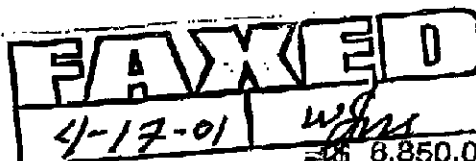
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Industry Arbitrator

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Atlas v. Keaton NASD-DR # 99-02770
p. 5 of 5



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Less payments	= \$ 3,850.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,700.00

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Member Fees	=\$1,600.00
Less payments	= \$ 600.00
Balance Due NASD Dispute Resolution, Inc.	=\$1,000.00

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Theodore E. Davis, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Walter J. McCoy
Walter J. McCoy, PhD JD
Public Arbitrator

4-17-01
Signature Date

Mark C. Walter, J.D.
Industry Arbitrator

Signature Date

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Atlas v. Keaton NASD-DR # 99-02770
p. 5 of 5

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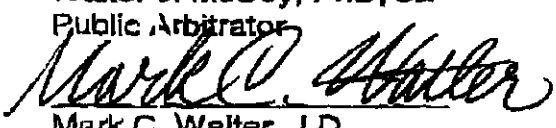
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