

April 6, 2010

Harry P Susman, Esq.
Susman Godfrey LLP

[REDACTED]
Houston, TX 77002

Subject: FINRA Dispute Resolution Arbitration Number 09-00979
Financial Trust Company, Inc. and The C.O.U.Q. Foundation, Inc. v. Warren Spector

Dear Mr. Susman:

This matter has been reassigned to the undersigned, Bola Aguda. Any further questions and/or correspondence concerning this matter, including additional pleadings and/or motions, should be directed to my attention at the contact information below.

Very truly yours,

BATZ

Bola Aguda
Case Administrator

Phone: [REDACTED]
Fax: [REDACTED]

BA [REDACTED]
idr: [REDACTED]

RECIPIENTS:

Gabrielle Gould, Esq., Bear Stearns & Co
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., Bear Stearns Asset Management Inc.
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., The Bear Stearns Companies

Freshfields Bruckhaus Deringer US LLP, [REDACTED] New York,
NY 10022

Harry P Susman, Esq., Financial Trust Company, Inc.
Susman Godfrey LLP, [REDACTED] Houston, TX 77002

Harry P Susman, Esq., The C.O.U.Q. Foundation, Inc.
Susman Godfrey LLP, [REDACTED] Houston, TX 77002

Meredith L. Turner, Esq., Warren Spector
Wachtel, Lipton, Rosen & Katz, [REDACTED] New York, NY 10019-6150

Andrew Joseph Donovan
David I. Goldblatt
John Michael Richardson

April 6, 2010

Harry P Susman, Esq.
Susman Godfrey LLP
[REDACTED]
Houston, TX 77002

Subject: FINRA Dispute Resolution Arbitration Number 09-00979
Financial Trust Company, Inc. and The C.O.U.Q. Foundation, Inc. v. Warren Spector

Dear Mr. Susman:

Enclosed is a copy of the Initial Pre-Hearing Conference Scheduling Order for the above referenced matter.

The evidentiary hearings are scheduled to be heard on the following dates: March 28, 2011 at 09:30 AM Eastern Time Zone, March 29, 2011 at 09:30 AM Eastern Time Zone, March 30, 2011 at 09:30 AM Eastern Time Zone, March 31, 2011 at 09:30 AM Eastern Time Zone, and April 1, 2011 at 09:30 AM Eastern Time Zone. Enclosed is a Case Information Sheet setting forth the dates, times, and location of the evidentiary hearings.

A telephonic pre-hearing conference with the Chairperson and the parties is scheduled for January 28, 2011 at 10:00 AM Eastern Time.

The conference center operator will contact all participants at the telephone number currently on file up to 5 minutes prior to each conference call. Bola Aguda is listed as the conference leader. The Chairperson will be designated as the conference host. In the event that you will be participating in a pre-hearing conference from an alternative phone number, or you get disconnected during a pre-hearing conference, please be advised that you may be connected to the call by dialing [REDACTED] and providing the following passcode to the operator: **09-00979**.

If the need arises for a postponement, please review the applicable Code of Arbitration Procedure¹ to determine how to proceed.

¹Customer Code Rule 12601
Industry Code Rule 13601
Old Code Rule 10319

Parties are reminded that the Code of Arbitration Procedure² requires that all parties shall serve on each other copies of the documents and identify the witnesses they intend to present at the hearing at least 20 calendar days prior to the first scheduled hearing date. The parties should list the business affiliation of each witness, or other descriptive information. The Panel may exclude from the arbitration any documents not exchanged or witnesses not identified.

Under the Code of Arbitration Procedure, the parties will only be permitted to use documents not timely provided or call witnesses not timely identified if the Panel finds that good cause exists for the failure to produce the documents or witnesses. Good cause includes the need to use documents or call witnesses for rebuttal or impeachment purposes based on developments during the hearing. Documents and list of witnesses presented in defense of a claim are not considered rebuttal or impeachment information and, therefore, must be exchanged by the parties.

Very truly yours,



Bola Aguda
Case Administrator

Phone: [REDACTED]

Fax: [REDACTED]

BA:nsc:LC21Z
idr: 10/29/2009
Enclosures

CC:

Andrew Joseph Donovan
David I. Goldblatt
John Michael Richardson

RECIPIENTS:

Gabrielle Gould, Esq., Bear Stearns & Co.
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., Bear Stearns Asset Management Inc.
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., The Bear Stearns Companies
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Harry P Susman, Esq., Financial Trust Company, Inc.

²Customer Code Rule 12514
Industry Code Rule 13514
Old Code Rule 10321(c)

Susman Godfrey LLP, [REDACTED], Houston, TX 77002

Harry P Susman, Esq., The C.O.U.Q. Foundation, Inc.
Susman Godfrey LLP, [REDACTED], Houston, TX 77002

Meredith L. Turner, Esq., Warren Spector
Wachtel, Lipton, Rosen & Katz, [REDACTED], New York, NY 10019-6150

Initial Pre-hearing Conference Scheduling Order

FINRA DISPUTE RESOLUTION

INITIAL PRE-HEARING CONFERENCE
SCHEDULING ORDER IN THE MATTER OF:

CLAIMANT: Financial Trusty Company, Inc. and The C.O.U.Q. Foundation, Inc.
RESPONDENTS: Warren Spector, The Bear Stearns Companies, Bear Stearns & Co. and Bear Stearns Asset Management Inc.

CASE NUMBER: 09-00979

An initial pre-hearing telephonic conference was held in the above-captioned matter on March 25, 2010. Participating in the hearing were:

Chairperson: David I. Goldblatt
Panelist: Andrew Joseph Donovan
Panelist: John Michael Richardson

Claimant's Representative: Harry P. Susman, Susman Godfrey LLP

Respondent Spector's Representative: Meredith L. Turner, Wachtel, Lipton, Rosen & Katz

Respondents Bear Stearns companies Representatives: Gabrielle Gould, Freshfields Bruckhaus Deringer, LLP; Joshua Glick, Kramer, Levin, Naftalis & Frankel LLP

The following was agreed upon during the conference and is now entered as the Initial Pre-hearing Conference Scheduling Order.

1. The parties accepted the panel's composition.
2. The first scheduled hearing session in this matter will begin at 9:30 a.m. on March 28, 2011. The following dates have also been reserved for this hearing: March 29, 30 and 31 and April 1, 2011. The hearing will take place at the New York City offices of FINRA.
3. All discovery demands shall be served on or before November 8, 2010. All previously served discovery demands shall be complied with or objected to on or before December 8, 2010. Any motions addressed to discovery matters shall be served on or before December 23, 2010. Answering papers shall be served on or before January 7, 2011, and reply papers on or before January 14, 2011.
4. The Chairperson and parties have tentatively reserved January 28, 2011 at 10:00 a.m. for a Pre-hearing telephonic conference to resolve any discovery matters.
5. Pre-hearing briefs, if any, shall be served on or before March 14, 2011.

6. Communications between parties and arbitrators.

- (a) All named parties and all arbitrators have agreed to proceed under the voluntary direct communications provisions of the Codes of Arbitration Procedure. All parties agree that their counsel will alert all other parties, all arbitrators, and the FINRA Dispute Resolution case administrator of any changes in its representation. If counsel no longer represents a party, this paragraph will become inoperative and all parties shall cease direct communication with the arbitrators and direct all communications to the assigned FINRA Dispute Resolution case administrator, with the appropriate number of copies for distribution to the arbitrators.
- (b) Parties shall send only the following directly to the Chairperson: correspondence, discovery motion papers and briefs.
- (c) Parties may use email for documents fewer than six (6) pages in length, and overnight courier or U.S. Mail for all other documents. Email transmissions must contain the following or similar paragraph:

“This message contains confidential information and is intended for the recipient. If you are not the intended recipient, you are notified that disclosure, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. “

- (d) The electronic and mailing addresses of the Chairperson and counsel for all named parties and the FINRA case administrator assigned to this matter are as follows:

David Goldblatt

[REDACTED]

New York, N.Y. 10024

Harry P. Susman

[REDACTED]

SUSMAN GODFREY L.L.P.

[REDACTED]

Houston, TX 77002-5096

Meredith L. Turner

[REDACTED]

Wachtel, Lipton, Rosen & Katz

[REDACTED]

New York, N.Y. 10019

Joshua Glick
[REDACTED]
Kramer Levin Naftalis & Frankel LLP
[REDACTED]
New York, N.Y. 10036

Gabrielle Gould
[REDACTED]
Freshfields Bruckhaus Derenger LLP
[REDACTED]
New York, N.Y. 10022

Nicole C. Haynes
[REDACTED]
FINRA Dispute Resolution
[REDACTED]
New York, N.Y. 10006-1404

6. The Panel requests that, concurrently with the parties' timely exchange of witness lists pursuant to the Code of Arbitration Procedure, the parties send copies of the witness lists to FINRA for forwarding to the Panel, in order that the arbitrators may determine if the appearance of a witness identified in the witness list may create a potential conflict with an arbitrator or otherwise trigger additional disclosures by an arbitrator. To assist the arbitrators in making these conflict checks, the parties should list the business affiliation of each witness, or other descriptive information.
8. Except as provided in this Order, parties should not communicate with any member of the Panel except in the presence of all parties or representatives.
9. If the parties settle this matter prior to a hearing on the merits, the cost of this and any other conferences in which any member of the Panel participates shall be borne in such manner as the Panel directs.
10. Except as provided in paragraph 6(a) above, this Order will remain in effect unless amended by the arbitration Panel.

Dated: New York, N.Y.
March 30, 2010

s/ David Goldblatt
David I. Goldblatt, Chairperson
On behalf of the arbitration panel

Case Information Sheet

1. **CASE INFORMATION:**

A. CASE-NUMBER: 09-00979

B. CASE-NAME: Financial Trust Company, Inc. and The C.O.U.Q. Foundation, Inc.
v. Warren Spector

C. FINRA Dispute Resolution

REPRESENTATIVE: Bola Aguda
Case Administrator
FINRA Dispute Resolution
One Liberty Plaza
[REDACTED]
New York, NY 10006
[REDACTED]

D. PRE-HEARING

DATE: January 28, 2011 at 10:00 AM Eastern Time
(Telephonic conference with chairperson & parties)

E. HEARING DATE: March 28, 2011 at 09:30 AM Eastern Time Zone

F. ADDITIONAL HEARING SESSIONS:

Additional hearing session(s) are scheduled on:
March 29, 2011, March 30, 2011, March 31, 2011, April 1, 2011.

G. HEARING LOCATION:

FINRA Dispute Resolution
[REDACTED]
One Liberty Plaza
New York, NY 10006
Conference Call Number: [REDACTED] Passcode:

2. **PARTY REPRESENTATIVE INFORMATION:**

REPRESENTATIVE:

Gabrielle Gould, Esq., Freshfields Bruckhaus Deringer US LLP
Phone: [REDACTED], Fax: [REDACTED]

Email: [REDACTED]
PARTY(IES):
The Bear Stearns Companies, Respondent
Bear Stearns & Co, Respondent
Bear Stearns Asset Management Inc., Respondent

REPRESENTATIVE:
Harry P. Susman, Esq., Susman Godfrey LLP
Phone: [REDACTED] Fax: [REDACTED]
Email: [REDACTED]

PARTY(IES):
The C.O.U.Q. Foundation, Inc., Claimant
Financial Trust Company, Inc., Claimant

REPRESENTATIVE:
Meredith L. Turner, Esq., Wachtel, Lipton, Rosen & Katz
Phone: [REDACTED] Fax: [REDACTED]
Email: [REDACTED]

PARTY(IES):
Warren Spector, Respondent

3. **ARBITRATION PANEL:**

David I. Goldblatt	Public Arbitrator	Chairperson
Andrew Joseph Donovan	Non-Public Arbitrator	Panelist
John Michael Richardson	Public Arbitrator	Panelist

Arbitrator classification is reported in accordance with the Codes of Arbitration Procedure for Customer and Industry Disputes, Rules 12100(p) and (u) and 13100(p) and (u), respectively. For more information, please see Regulatory Notice 08-22.

LC20B
idr: 10/05/2009

CC:
Andrew Joseph Donovan
David I. Goldblatt
John Michael Richardson

RECIPIENTS:
Gabrielle Gould, Esq., Bear Stearns & Co
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., Bear Stearns Asset Management Inc.
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Gabrielle Gould, Esq., The Bear Stearns Companies
Freshfields Bruckhaus Deringer US LLP, [REDACTED], New York,
NY 10022

Harry P Susman, Esq., Financial Trust Company, Inc.
Susman Godfrey LLP, [REDACTED], Houston, TX 77002

Harry P Susman, Esq., The C.O.U.O. Foundation, Inc.
Susman Godfrey LLP, [REDACTED], Houston, TX 77002

Meredith L. Turner, Esq., Warren Spector
Wachtel, Lipton, Rosen & Katz, [REDACTED], New York, NY 10019-6150