

FINRA Dispute Resolution  
Northeast Processing Center  
One Liberty Plaza  
165 Broadway, 27th Floor  
New York, NY 10006



Phone: 212-858-4200

Fax: 301-527-4873

Number of Pages including the Cover Sheet: 22

Date: 03/08/2010

Case Number: 09-00979

Case Name: Financial Trust Company, Inc. and The C.O.U.Q. Foundation, Inc. v. Warren Spector

To: Harry P Susman

Phone: [Redacted]

From: Nicole Haynes  
Case Assistant Manager

Message:

This facsimile transmission is intended only for the addressee(s) shown above. It may contain information that is privileged, confidential, or otherwise protected from disclosure. Any review, dissemination or use of this transmission or its contents by persons other than addressee is strictly prohibited. If you have received this transmission in error, please notify us immediately by telephone at the above number.



March 8, 2010

Harry P Susman, Esq.  
Susman Godfrey LLP  
1000 Louisiana  
Suite 5100  
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:

Your case is ready for the next phase of the pre-hearing process. Below is information on:

The assigned Case Administrator;  
Verification of your contact information;  
Panel composition;  
The Initial Pre-hearing Conference;  
Opting out of the Initial Pre-hearing Conference;  
Rescheduling the Initial Pre-hearing Conference;  
Fees; and  
Mediation.

Assigned Case Administrator

As a reminder, your case has been assigned to Nicole C. Haynes. Please direct all correspondence and inquiries to Nicole C. Haynes at the below address or at 212-858-4200. Please reference your assigned case number when contacting FINRA staff.

Verify Your Contact Information

The enclosed Case Information Sheet reflects the contact information that we have on file. If the contact information is incorrect or if we do not have a telephone number for you, please contact this office immediately and provide your contact information.

Panel Composition

FINRA Dispute Resolution appointed an arbitration Panel based upon the parties' consolidated lists. The enclosed Case Information Sheet lists the arbitration Panel's composition. The Arbitrators' classifications as public or non-public are accurate at the time of their appointment.

Investor protection. Market integrity.

Dispute Resolution  
Northeast Regional Office

One Liberty Plaza  
165 Broadway  
27th Floor  
New York, NY  
10006-1404

t 212 858 4200  
f 301 527 4873  
www.finra.org

Please note that if the number of Arbitrators available to serve from the parties' consolidated lists was not sufficient to fill the Panel, pursuant to the Code of Arbitration Procedure,<sup>1</sup> the Director of Arbitration appointed one or more Arbitrators to complete the Panel.

The Arbitrator Disclosure Reports of any such Arbitrators are enclosed. Please note that the Arbitrator Disclosure Reports include each Arbitrator's past awards. The awards are available through our online award database at [www.finra.org/arbitrationmediation/index.htm](http://www.finra.org/arbitrationmediation/index.htm).

#### Initial Pre-Hearing Conference

Pursuant to the Code of Arbitration Procedure,<sup>2</sup> the telephonic Initial Pre-hearing Conference is scheduled for **March 25, 2010 at 01:00 PM Eastern Time Zone**. The purpose of the conference is to set hearing dates, and, if necessary, to set a discovery schedule, briefing and motions deadlines, pre-hearing dates, and to identify any issues that may require Arbitrator intervention. Prior to the conference, please confirm the availability of **all witnesses** and have a realistic estimate of the time you will need to present your case. Also, please have your calendar available at the Initial Pre-hearing Conference.

Our conference coordinator will call you at the telephone number listed on the enclosed Case Information Sheet or the corrected number that you have provided. If you will not be at this telephone number on the date and time of the Initial Pre-hearing Conference you may join the conference by dialing **1-888-455-1880**. The conference coordinator will ask for a password and the name of the conference leader. The password is the arbitration case number, including the zeroes, and the conference leader is the Chairperson or the assigned FINRA Case Administrator.

#### Opting Out of the Initial Pre-hearing Conference

Parties may opt out of the Initial Pre-hearing Conference by submitting a joint request to opt out and including a proposed scheduling order with the request. The proposed order should address all items included in the Initial Pre-hearing Conference Scheduling Order. Parties may obtain a copy of the order from our Web site, [www.finra.org](http://www.finra.org). For cases proceeding according to the Old Code,<sup>3</sup> it is within the Panel's discretion to grant or deny the parties' request to opt out of the Initial Pre-hearing Conference. For cases proceeding according to the Customer or Industry Code,<sup>4</sup> the parties may agree to forego the Initial Pre-hearing Conference only if they jointly provide the Director with a proposed scheduling order that includes all the requisite information.<sup>5</sup>

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<sup>1</sup>Customer Code Rule 12406(c)  
Industry Code Rule 13406(c)  
Old Code Rule 10308(6)(4)(b)

<sup>2</sup>Customer Code Rule 12500  
Industry Code Rule 13500  
Old Code Rule 10315

<sup>3</sup>Cases filed before April 16, 2007 proceed according to the Old Code.

<sup>4</sup>Cases filed on or after April 16, 2007 proceed according to either the Customer or Industry Code.

<sup>5</sup>Customer Code Rule 12500(c)  
Industry Code Rule 13500(c)

### Procedure to Reschedule the Initial Pre-hearing Conference

If the Initial Pre-hearing Conference date is not convenient, you may request that the Panel reschedule the Initial Pre-hearing Conference. Any request to reschedule the conference must include **four mutually agreed upon dates and times** to reschedule the conference. We will not send the parties' request to reschedule the conference to the Panel unless we receive proposed agreed upon rescheduled dates and times. If you would like the Panel to reschedule the conference, you must submit, in writing, the agreed upon dates and times within 14 days of the date of this letter.

### Fees

The Panel will assess the cost of the Initial Pre-hearing Conference to the parties. Pursuant to the Code of Arbitration Procedure,<sup>6</sup> the Panel may require the parties to pay hearing session fees during the course of the arbitration. For information on forum fees, please review the appropriate Code sections.

If you are counsel representing a party, it is your responsibility to ensure that your client understands his/her responsibilities regarding fees.

### Mediation

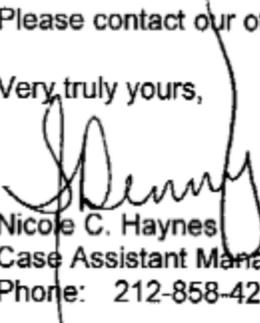
FINRA Dispute Resolution has a successful, voluntary mediation program. Are you interested in mediation? If yes, please check the following box and return a copy of this letter to me. [ ]

### Online Evaluation

As a service organization, the primary goals of FINRA Dispute Resolution are the integrity of its process and the satisfaction of its clients. To ensure that we are meeting your needs and satisfying our commitment to you, **we need to hear from you**. At the conclusion of this case, please take the time to complete an evaluation of our services, the process, and the Arbitrator(s) assigned to your case. For your convenience, we have now made it possible for you to evaluate our services using the Internet. Please direct your Web browser to <http://www.finra.org/arbevaluation>. If you do not have Internet access, or have difficulty completing the evaluation online, you may complete the enclosed paper version of the evaluation and mail it in the enclosed envelope. If you need another paper copy of the evaluation form, please contact the undersigned. Whenever possible, however, please use the new online version; doing so will help us to review your feedback in a more expeditious and analytical manner. Your feedback is a valuable and necessary component in our efforts for improved service.

Please contact our office if you have any questions.

Very truly yours,



Nicole C. Haynes  
Case Assistant Manager  
Phone: 212-858-4200

<sup>6</sup>Customer Code Rule 12902(b)(1)  
Industry Code Rule 13902(b)(1)  
Old Code Rule 10322(a) or Rule 10205(a)

Fax: 301-527-4873  
NEProcessingCenter@finra.org

NCH:em:LC08C  
idr: 09/30/2009

Enclosures

CC:

Andrew Joseph Donovan  
David I. Goldblatt  
John Michael Richardson

RECIPIENTS:

Gabrielle Gould, Esq., Bear Stearns & Co  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Gabrielle Gould, Esq., Bear Stearns Asset Management Inc.  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Gabrielle Gould, Esq., The Bear Stearns Companies  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Harry P Susman, Esq., Financial Trust Company, Inc.  
Susman Godfrey LLP, 1000 Louisiana, Suite 5100, Houston, TX 77002

Harry P Susman, Esq., The C.O.U.Q. Foundation, Inc.  
Susman Godfrey LLP, 1000 Louisiana, Suite 5100, Houston, TX 77002

Meredith L. Turner, Esq., Warren Spector  
Wachtel, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY 10019-6150



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: Nicole C. Haynes  
Case Assistant Manager  
FINRA Dispute Resolution  
One Liberty Plaza  
165 Broadway, 27th Floor  
New York, NY 10006  
212-858-4200

D. HEARING DATE: March 25, 2010 at 01:00 PM Eastern Time Zone

E. ADDITIONAL HEARING SESSIONS:

Additional hearing session(s) are scheduled on: None

F. HEARING LOCATION:

Initial Pre-hearing Conference

NY

Conference Call Number: 1-888-455-1880 Passcode: 09-00979

2. **PARTY REPRESENTATIVE INFORMATION:**

REPRESENTATIVE:

Gabrielle Gould, Esq., Kramer Levin Naftalis & Fankel LLP

Phone: 212-715-7662, Fax: 212-715-8043

Email: Unknown

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: 713-653-7875, Fax: 713-654-6686  
Email: hsusman@susmangodfrey.com

**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: 212-403-1165, Fax: 212-403-2000  
Email: MLTurner@wlrk.com

**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

**RECIPIENTS:**

Harry P Susman, Esq., Financial Trust Company, Inc.  
Susman Godfrey LLP, 1000 Louisiana, Suite 5100, Houston, TX 77002



March 8, 2010

Harry P Susman, Esq.  
Susman Godfrey LLP  
1000 Louisiana  
Suite 5100  
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:

The Code of Arbitration Procedure<sup>1</sup> allow for direct communication between the parties and Arbitrators to an arbitration proceeding. To participate under the Rule, all parties must be represented by counsel. Also, all parties and Arbitrators must agree to the procedures. If a party chooses to proceed without counsel after agreeing to use the Rule the case will no longer be processed under the Rule. As a result, counsel for the parties must immediately notify all other parties, the Arbitrators, and the assigned FINRA Dispute Resolution case administrator if counsel no longer represents a party in the case.

#### **Agreement to Proceed Under the Rule**

The agreement to proceed under this rule must be outlined in the written order of the arbitration Panel. Direct communication between the parties and Arbitrators is limited to the transmission of correspondence as outlined in the Initial Pre-hearing Conference Scheduling Order (Order) or subsequent order of the Panel. The current versions of the Initial Pre-hearing Conference Script and Order are available on our Web site at [www.finra.org](http://www.finra.org). Parties should send all other correspondence not specifically outlined in the Order to the FINRA Dispute Resolution case administrator who is assigned to your case. The mailing should include the appropriate number of copies for distribution to the arbitration Panel.

#### **Transmission of Documents**

If the parties agree to proceed under the Rule, they must send a copy of any document identified in the Order to their opposing counsel and the FINRA Dispute Resolution case administrator on the same day and by the same method of transmission (e.g., facsimile, overnight courier,

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<sup>1</sup>Customer Code Rule 12211  
Industry Code Rule 13211  
Old Code Rule 10334

electronic mail, or U.S. mail). However, if the document exceeds 15 pages, parties must send FINRA Dispute Resolution a copy by overnight courier or U.S. mail. Parties and Arbitrators may also agree to a similar page limit. Parties may use electronic mail or facsimile only if all parties and Arbitrators have such capability, which must be verified at the Initial Pre-hearing Conference or a later conference.

If the parties and Arbitrators agree to use electronic mail, FINRA Dispute Resolution recommends that all parties and Arbitrators include the following or similar paragraph in their electronic mail messages.

**This message contains confidential information and is intended for the recipient. If you are not the intended recipient, you are notified that disclosing, copying, distributing or taking any action in reliance on the contents of this information is strictly prohibited. Email transmission cannot be guaranteed to be secure or error-free as information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete, or contain viruses. The sender, therefore does not accept liability for any errors or omissions in the contents of this message, which arise as a result of any email transmission sent or received. If verification is required, please request a hard-copy version.**

If the parties and Arbitrators agree to use facsimile, FINRA Dispute Resolution recommends that all parties and Arbitrators include the following or similar paragraph on their fax cover page.

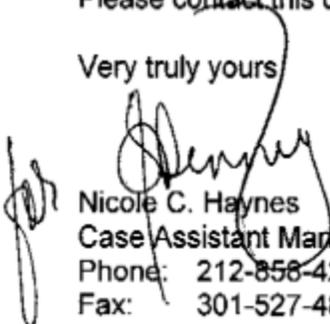
***This fax transmittal is strictly confidential and is intended solely for the person or organization to which it is addressed. If you have not received all pages of this fax, please call 212-858-4200.***

#### Prohibited Oral Communication with Panel

The parties are still prohibited from direct oral communication with any member of the Panel, except in the presence of all parties or representatives.

Please contact this office if you have any questions.

Very truly yours



Nicole C. Haynes  
Case Assistant Manager  
Phone: 212-858-4200  
Fax: 301-527-4873  
NEProcessingCenter@finra.org

NCH:em:LC53B  
idr: 09/22/2009

#### RECIPIENTS:

Gabrielle Gould, Esq., Bear Stearns & Co  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Gabrielle Gould, Esq., Bear Stearns Asset Management Inc.  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Gabrielle Gould, Esq., The Bear Stearns Companies  
Kramer Levin Naftalis & Fankel LLP, 1177 Avenue of Americas, New York, NY 10036

Harry P Susman, Esq., Financial Trust Company, Inc.  
Susman Godfrey LLP, 1000 Louisiana, Suite 5100, Houston, TX 77002

Harry P Susman, Esq., The C.O.U.Q. Foundation, Inc.  
Susman Godfrey LLP, 1000 Louisiana, Suite 5100, Houston, TX 77002

Meredith L. Turner, Esq., Warren Spector  
Wachtel, Lipton, Rosen & Katz, 51 West 52nd Street, New York, NY 10019-6150

Andrew Joseph Donovan  
David I. Goldblatt  
John Michael Richardson

## Arbitrator Disclosure Report

Report reflects information provided by the arbitrator through 03/04/2010

### ARBITRATOR

**Name:** Mr. David I. Goldblatt  
**Arbitrator ID:** A14671  
**CRD #:**  
**City/State/Country:** New York / NY / United States

#### Skills in Controversy:

Employment - Breach of Contract, Employment - Commissions, Employment - Compensation, Employment - Discrim. Age, Employment - Discrim. Race, Employment - Employment Discrimination, Employment - Libel or Slander on FormU-5, Employment - Libel or Slander, Employment - Partnerships, Employment - Promissory Notes, Employment - Retaliation, Employment - Wrongful Termination

**Classification:** Public  
**FINRA Mediator:** No  
**Chair Status:** Qualified

#### Skills in Securities:

Common Stock, Limited Partnerships

**Statutory Discrimination Qualified -** This arbitrator meets the conditions set forth in FINRA's Code of Arbitration Procedure to serve as the chairperson or sole arbitrator on a case involving a statutory discrimination claim.

**Injunctive Qualified -** This arbitrator is an attorney and has reported experience litigating cases involving injunctive relief.

### EMPLOYMENT

<u>Start Date</u>	<u>End Date</u>	<u>Firm</u>	<u>Position</u>
05/1997	Present	Retired	not provided
01/1970	04/1997	Proskauer Rose Goetz et.	Partner
08/1961	10/1970	Proskauer Rose Goetz et.	Associate

### EDUCATION

<u>Start Date</u>	<u>End Date</u>	<u>School</u>	<u>Degree</u>
09/1958	06/1961	Yale Law School	LLB
09/1954	06/1958	Antioch College	BA

### TRAINING

<u>Completed</u>	<u>Description</u>	<u>Details</u>	<u>Firm/School</u>	<u>Hours</u>	<u>Location</u>
03/2009	Motion to Dismiss Training		FINRA		
01/2009	Expungement - 2008 Refresher		FINRA	1	
03/2007	Revised Code of Arbitration		NASD	2	online
08/2004	Expungement online mini-course		NASD	1.5	online
03/1997	Mediation Training		NYC		
11/1996	Chairperson Securities Training		NASD	7	New York, NY
06/1996	Intro Securities Arbitrator Training		NASD	6.5	New York, NY

FINRA Dispute Resolution

01/1992

Mediation Training

Bar Association of the  
City of New YorkArbitrator ID: A14671  
New York, NY**DISCLOSURE/CONFLICT INFORMATION**

<u>Type</u>	<u>Firm Name</u>	<u>Details</u>
Has an account with	Charles Schwab & Co., Inc.	
Had an account with	Merrill Lynch Pierce Fenner & Smith	
Arbitrator for	NYSE	
Had an account with	UBS Financial Services Inc.	PaineWebber, Inc. (had)
Is a Client		Bridgewater Advisors Inc.
Was a Client		Intergrated Resources, Inc. (was)
Is a Member of Bar Association		New York

**PUBLICLY AVAILABLE AWARDS**

Publicly Available Awards Section, Current as of 03/08/2010

<u>Case ID</u>	<u>Case Name</u>	<u>Close Date</u>
07-02493	Interactive Brokers LLC v. Lek Securities Corporation, Petra Trading Group LLC, Last Atlantis Capital Management, et.al.	10/28/2009
06-02076	Eugene C. Ross v. Bear Stearns & Co., Inc.	10/09/2009
08-01168	Robert Hwang vs. Stifel Nicolaus and Company, Inc.	04/08/2009
07-02659	Todd Meldrum v. TD Ameritrade, Inc.	03/12/2008
06-04084	Roy Budd vs. Citigroup Global Markets, Inc.	02/25/2008
07-01899	The Estate of Alastair John Stair v. PMG Securities Corporation and Matthew J. Ryan	11/07/2007
05-04473	Rita Fisher v. Fidelity Brokerage Services LLC	06/14/2006
05-04104	Katrina Schalensky v. Citigroup Global Markets (f/k/a Salomon Smith Barney)	02/23/2006
05-00449	Alice Kelly, Pearl Daniels, Phyllis Crank vs. Gilbert C. Varnes, Jr. USAllianz Securities, Inc f/k/a LifeUSA Sec.	12/15/2005
05-01444	J.B. Hanauer & Co. v. Paul Horvath	09/22/2005
00-02546	Max Fodiman, Bruce B. Fodiman, Fred B. Fodiman and Myra M. Fodiman v. David Lerner Associates, Inc.	09/09/2005
04-02884	Ian Allena vs. Prudential Equities Group, LLC John S. O'Donnell and Mark Hyde	08/04/2005
04-04520	Alice Adjmi vs. Citigroup Global Markets, Inc. f/k/a/ Salomon Smith Barney, Inc.	05/26/2005
03-08775	Theresia S. Blair vs. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., John Ryan, David Nelson, etal	12/09/2004
01-03313	Robert W. Lisnoff vs. Parker Financial Corp., Jeffrey Gray, John Serkes and Keith Feldman	07/12/2002
00-04507	Dean Witter Reynolds, Inc. v. Joseph Arnato, Michael Braccia, Daniel DelRosso, John A. Zadwydas, et al	04/16/2002
01-00196	Francisco Pedros v. Gilford Securities, Gabriel Carino, Howard Perkins, III, and Chris Pomarico	04/02/2002
99-00472	Kathleen Yacoe-Hughes v. Janney Montgomery Scott, Inc.	02/17/2000
97-01783	Danny Chow v. Joseph Stevens & Co., Schroder Wertheim & Co. and Steven Tabb	05/12/1998
96-01311	Milan L. Obradovich vs. Fidelity Brokerage Services, Inc.	05/23/1997

**ARBITRATOR BACKGROUND INFORMATION**

FINRA Dispute Resolution

Arbitrator ID: A14671

I am a 1958 graduate of Antioch College, where I majored in Business Administration/Accounting, and a 1961 graduate of Yale Law School, where I was an editor of the Yale Law Journal.

I joined Proskauer Rose LLP (then Proskauer Rose Goetz & Mendelsohn) in 1961, became a partner in 1970, and remained there until 1997, when I retired from the active practice of law. Throughout my career at Proskauer I was a member of the firm's Litigation Department, specializing in commercial and corporate litigation, principally civil. I handled a number of securities class actions, usually representing an accounting firm as defendant, SEC administrative proceedings against accountants, bankruptcy matters on behalf of debtors, employment disputes (representing the employer), patent, copyright and trademark matters, and a variety of other commercial matters.

I have served as an arbitrator for the NASD and the New York Stock Exchange, as an arbitrator or mediator in court-mandated arbitrations or mediations and, through the Bar Association of the City of New York, as a mediator in lawyer-client disputes.

#### CHAIRPERSON QUALIFICATIONS FOR STATUTORY EMPLOYMENT DISCRIMINATION CASES

During the course of my 37 years as a practicing litigator, I handled several cases involving claims of employment discrimination. One involved alleged discrimination on the basis of race, and was tried to a conclusion. Two involved alleged discrimination on the basis of age. One of those was settled and the other dismissed on motion. I have also represented an employer in approximately 12 law suits or arbitration proceedings brought by present or former employees, where the claims were not based on discrimination but on alleged defamation, breach of contract, or other claims.

I was in private practice with a firm of Proskauer Rose LLP, as an associate from 1961-1970 and as partner from 1970. Since May, 1997, I have been a retired partner of that firm.

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## Arbitrator Disclosure Report

Report reflects information provided by the arbitrator through 03/04/2010

### ARBITRATOR

**Name:** Mr. John Michael Richardson  
**Arbitrator ID:** A57214  
**CRD #:**  
**City/State/Country:** New York / NY / United States  
**Classification:** Public  
**FINRA Mediator:** No  
**Chair Status:** None

**Skills in Controversy:**  
 There are no Skills in Controversy information.

**Skills in Securities:**  
 There are no Skills in Security information.

### EMPLOYMENT

<u>Start Date</u>	<u>End Date</u>	<u>Firm</u>	<u>Position</u>
08/2003	Present	John Michael Richardson	Solo Law Practice
09/1971	07/2003	Pennie & Edwards	Law Clerk/Associate/Partner
09/1969	08/1970	Mutual of New York	Internal Auditor
09/1966	08/1969	Deloitte	Auditor

### EDUCATION

<u>Start Date</u>	<u>End Date</u>	<u>School</u>	<u>Degree</u>
09/1975	05/1976	New York University	LLM Taxation
09/1970	05/1973	Fordham Law School	JD
09/1966	08/1969	Institute of Chartered Accountants	CA
09/1962	05/1965	Trinity College, Cambridge	BA/MA

### TRAINING

<u>Completed</u>	<u>Description</u>	<u>Details</u>	<u>Firm/School</u>	<u>Hours</u>	<u>Location</u>
07/2009	Expungement online revised - 3/2009		FINRA	1.5	online
07/2009	Expungement - 2008 Refresher		FINRA	1	
06/2009	Online Basic Panel Training		FINRA	11	online
06/2009	Onsite Basic Panel Training		FINRA	4	New York, NY
04/2008	Mediation Training	Commercial Division Mediators	Commercial Division Supreme Court	8	White Plains, NY
02/2008	Mediation Training	International Commercial Mediation	International Chamber of Commerce	24	Paris, France
06/2007	Non-Securities Related Training		International Chamber of Commerce	15	San Francisco, CA
12/2006	Mediation Training	Court Mediator	CPR Int'l Inst for Conflict Prevention	18	New York, NY

FINRA Dispute Resolution			Arbitrator ID: A57214	
12/2006	Non-Securities Related Training	AAA	11	Boston, MA
05/2006	Mediation Training	Commercial Division Supreme Court	4	New York, NY
11/2005	Mediation Training	Basic Mediation Training NYC Bar	26.5	New York, NY
10/2005	Non-Securities Related Training	World Intellectual Property Organization	14	Geneva, Switzerland
07/2005	Mediation Training	Workshop/Advanced Workshop for Med World Intellectual Property Organization	24	Geneva, Switzerland

### DISCLOSURE/CONFLICT INFORMATION

<u>Type</u>	<u>Firm Name</u>	<u>Details</u>
Is a Member of Bar Association	ABA	
Has an account with	Citibank	IRA
Has an account with	Fidelity	IRA
Has an account with	TIAA-CREF	IRA
Family Member has relationship with	TIAA-Cref	Spouse has account
Family Member has relationship with	Vanguard	Spouse has account
Arbitrator for	AAA	
Mediator for	Eastern District of New York	
Licensed to Practice Law in	Eastern District of New York	
Lectured for	Fordham Law School Conference	
Is a Member of Bar Association	IBA	
Mediator for	NY County Supreme Court	Commercial Division
Is a Member of Bar Association	New York	# 1088319
Licensed to Practice Law in	Southern District of New York	
Mediator for	Southern District of New York	
Languages other than English		French, German, Italian
Lectured on		Intellectual Property/Med Confidentiality
Licensed to Practice Law in		New York

### PUBLICLY AVAILABLE AWARDS

Publicly Available Awards Section, Current as of 03/08/2010

<u>Case ID</u>	<u>Case Name</u>	<u>Close Date</u>
There is no award information.		

### ARBITRATOR BACKGROUND INFORMATION

From 2004 to present: Solo law practice with emphasis on high-end fashion industry, AAA Commercial Panel arbitrator, and mediator in commercial division of New York County Supreme Court and in SDNY and EDNY.

From 1971 to 2003: Law clerk then associate then partner (1982 - 2003) in Pennie & Edwards, a full-service intellectual

FINRA Dispute Resolution

Arbitrator ID: A57214

property law firm in New York dissolved December 31, 2003. Counseling and litigation in full range of intellectual property domestic and international.

From 1969 to 1970: Mutual of New York, internal audit 1966 to 1969; public accounting with Deloitte; London, England 1966 to 1968; Toronto, Canada 1968 to 1969; qualified as Canadian Chartered Accountant in 1969.

Regular speaker, panelist, or moderator at the Fordham International Intellectual Property Law & Policy conference and assist in planning the annual program content. Moderated at 2008 conference on "The Right of Publicity". Spoke at the Fordham Third Annual Conference on International Arbitration and Mediation in 2008 on "Mediation Confidentiality" and wrote an article to be published in the New York State Bar Association's new publication "New York Dispute Resolution Lawyer". Fall 2008 on Rule 408 fed. Rule Evidence and Mediation Confidentiality.

BA 1965 Trinity College, Cambridge; JD 1973 Fordham Law School; LLM (Taxation) 1976 New York University.

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## Arbitrator Disclosure Report

Report reflects information provided by the arbitrator through 03/04/2010

### ARBITRATOR

**Name:** Mr. Andrew Joseph Donovan  
**Arbitrator ID:** A56948  
**CRD #:** 1291765  
**City/State/Country:** Mohegan Lake / NY / United States  
**Classification:** Non-public  
**FINRA Mediator:** No  
**Chair Status:** None

**Skills in Controversy:**  
 Account Related - Dividends, Account Related - Transfer

**Skills in Securities:**  
 Annuities, Corporate Bonds, Government Securities, Mutual Funds, Municipal Bonds, Municipal Bond Funds, Preferred Stock

### EMPLOYMENT

<u>Start Date</u>	<u>End Date</u>	<u>Firm</u>	<u>Position</u>
01/2001	Present	LPL Financial	Registered Representative
01/2001	Present	Self-Employed	Financial Consultant
08/1996	01/2001	Chase Investment Services	Financial Consultant
05/1996	08/1996	Advantage Capital	Registered Representative
01/1994	12/1997	Westchester County	County Legislator
10/1993	08/1996	US Merchant Marine Acad.	Director of Development
01/1990	12/1993	Town of Yorktown	NY Councilman
07/1989	10/1993	NY Medical College	Director of Development
04/1988	07/1989	Kidder Peabody	Financial Consultant
07/1984	04/1988	Merrill Lynch	Financial Consultant
01/1980	06/1984	US Navy	Damage Control Officer
07/1978	10/1979	Merrill Lynch	Operations Manager

### EDUCATION

<u>Start Date</u>	<u>End Date</u>	<u>School</u>	<u>Degree</u>
12/1994	03/1996	College of Financial Planning	CFP
07/1974	02/1983	Fordham University	PhD
09/1970	06/1974	Fordham University	BA

### TRAINING

<u>Completed</u>	<u>Description</u>	<u>Details</u>	<u>Firm/School</u>	<u>Hours</u>	<u>Location</u>
03/2009	Motion to Dismiss Training	Completed FAQ	FINRA	1	
01/2009	Expungement - 2008 Refresher	Completed FAQ	FINRA	1	
12/2008	Onsite Basic Panel Training		FINRA	4	Newark, NJ

## FINRA Dispute Resolution

12/2008	Expungement online mini-course	FINRA	1.5	online	Arbitrator ID: A56948
11/2008	Online Basic Panel Training	FINRA	11	online	

**DISCLOSURE/CONFLICT INFORMATION**

<u>Type</u>	<u>Firm Name</u>	<u>Details</u>
Has an account with	LPL Financial	IRA
I am a client of	LPL Financial	
Is a member of	Boy Scout	Leader
Had an account with	Chase Investment Services	IRA
I was a client of	Chase Investment Services	
Received Honors	HB Earhart Foundation	Fellow Ship
Had an account with	Merrill Lynch	Brokerage/IRA
I was a client of	Merrill Lynch	
Was a member of	New York State 4-H Foundation	Chairman
Was a member of	Town of Yorktown	Elected Councilman
Was a member of	Yorktown Chamber of Commerce	Former Director
Has published		"Fund Raising Management"
Has published		"Planned Giving Today"
Lectured on		Fund Raising Program/Creation & Mgmt.
Lectured on		Planned Giving
Holds Securities License(s)		Series 7, 24, 63, and 65

**PUBLICLY AVAILABLE AWARDS**

Publicly Available Awards Section, Current as of 03/08/2010

<u>Case ID</u>	<u>Case Name</u>	<u>Close Date</u>
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There is no award information.

**ARBITRATOR BACKGROUND INFORMATION**

Andrew Donovan was born in New York City where he attended local schools. He graduated from Fordham University where he received his BA degree. He was awarded a Fellowship by the H.B. Earhart Foundation. He taught American Government at Fordham University from 1976 to 1978. He received his Ph.D. from Fordham University in 1983.

In 1978 Mr. Donovan joined Merrill Lynch, Pierce, Fenner and Smith, Inc. in New York. He was appointed Operations Manager for the New York Commodity Sales Office. In 1980, Mr. Donovan took leave from Merrill Lynch and was commissioned an officer in the United States Navy. During his four and a half years on active duty, he served as Damage Control Officer aboard and, ammunition ship and as Navigator aboard the guided missile cruiser, USS Josephus Daniels. After his discharge from active duty in 1984, he remained in the Naval Reserve. He is a graduate of the United States Naval War College. He retired in 2000 with the rank of Lieutenant Commander.

Mr. Donovan returned to Merrill Lynch, Pierce, Fenner and Smith in 1984 as a Financial Consultant advising individuals and businesses on investments, insurance and retirement plans. He was later employed by Kidder Peabody and Company as a Financial Consultant and by both New York Medical College and the United States Merchant Marine Academy as Director of Development. Mr. Donovan was a Certified Fund Raising Executive (CFRE) specializing in planned giving. His articles have

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been published in "Planned Giving Today" and "Fund Raising Management." He has presented seminars on planned giving, and fund raising program creation and management.

In 1989, Mr. Donovan was elected Councilman in the Town of Yorktown. In 1993 he was elected Westchester County Legislator. He was re-elected in 1995. He did not seek re-election at the expiration of his term. During this time he also served as Chairman of the New York State 4-H Foundation. He is also a former Director of the Yorktown Chamber of Commerce. Today he serves as a Boy Scout leader.

In 1996, Mr. Donovan joined Chase Investment Services as a Financial Consultant in the Yorktown Peekskill area. Mr. Donovan joined the national independent brokerage firm of LPL Financial in 2001. As an independent financial representative, his business operates under the name of Donovan Financial. As a Certified Financial Planner professional, securities and insurance are offered through LPL Financial which is a member of the FINRA and SIPC.

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On October 7, 2008, the arbitrator responded to a FINRA survey about auction rate securities. In the response, the arbitrator disclosed that since January 1, 2005, the arbitrator had been employed by or associated with a brokerage firm that sold auction rate securities.

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### CERTIFICATE OF ARBITRATOR'S EXHIBIT NO. 1

*The documents on this list comprise Arbitrator's Exhibit No. 1. If a document is not identified, it was not received. If this list is not accurate, please contact FINRA Dispute Resolution immediately. Arbitrators must read all documents in Arbitrator's Exhibit No. 1 prior to a hearing.*

*The list of documents may include certain FINRA Dispute Resolution notices to the parties.*

Case Number 09-0979 Staff Assigned LY-S

Name of Claimant(s) <u>Financial Trust Company, Inc. and</u>	
Submission Agreement	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Statement of Claim	
Amended Statement of Claim	✓
Motion to	
Responses to Motion	
Reply to Motion	
Other	

C.O.U.G. Foundation, Inc.

Name of Respondent No. 1 <u>Walter Spector</u>	
Submission Agreement	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Statement of Answer	
Joint with:	
Extension to File Statement of Answer	[ ] Due Date: [ ] See enclosed letter(s)
Request for Clarification	
Counterclaim	
Cross Claim vs.	
Third-Party Claim vs.	
Amended Statement of Answer	✓
Response to Amended Statement of Claim	

Date Initially Sent to Parties \_\_\_\_\_

Response to Cross Claim	
Response to Third-Party Claim	
Motion to	
Response to Motion	
Reply to Motion	
Other	

Name of Respondent No. 2 <i>The Bear Stearns Companies</i>	
Submission Agreement	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
Statement of Answer	
Joint with:	<input checked="" type="checkbox"/>
Extension to File Statement of Answer	[ <input type="checkbox"/> ] Due Date: [ <input type="checkbox"/> ] See enclosed letter(s)
Request for Clarification	
Counterclaim	
Cross Claim vs.	
Third-Party Claim vs.	
Amended Statement of Answer	
Response to Amended Statement of Claim	
Response to Cross Claim	
Response to Third-Party Claim	
Motion to	
Response to Motion	
Reply to Motion	
Other	

Name of Respondent No. 3 *Bear Stearns Asset Management*

Date Initially Sent to Parties \_\_\_\_\_

Submission Agreement	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Statement of Answer Joint with:	<input checked="" type="checkbox"/>
Extension to File Statement of Answer	<input type="checkbox"/> Due Date: <input type="checkbox"/> See enclosed letter(s)
Request for Clarification	
Counterclaim	
Cross Claim vs.	
Third-Party Claim vs.	
Amended Statement of Answer	
Response to Amended Statement of Claim	
Response to Cross Claim	
Response to Third-Party Claim	
Motion to	
Response to Motion	
Reply to Motion	
Other	

Name of Respondent No. 4 *Bene Stearns Co.*

Submission Agreement	Yes <input type="checkbox"/> No <input type="checkbox"/>
Statement of Answer Joint with:	<input checked="" type="checkbox"/>
Extension to File Statement of Answer	<input type="checkbox"/> Due Date: <input type="checkbox"/> See enclosed letter(s)
Request for Clarification	
Counterclaim	
Cross Claim vs.	

Date Initially Sent to Parties \_\_\_\_\_