

# Investors File Claims Against Bear Stearns

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**Wall Street Journal** – A group of four law firms has filed additional investor arbitration claims against Bear Stearns Cos. and a fund manager alleging the firm was less than candid with investors in one of its hedge funds.

**"Our investigation indicates that officials at Bear Stearns engaged in a concerted effort to conceal the true state of affairs at this hedge fund, for an extended period of time before it imploded and that the victims of this nefarious scheme included both individual investors and professional money managers from around the world," said Steven Caruso of Maddox Hargett & Caruso, one of the law firms.**

The claims were filed with the Financial Industry Regulatory Authority on behalf of investors in Bear Stearns' High Grade Structured Credit Strategies Fund. Last summer the fund failed along with the company's High-Grade Credit Enhanced Leveraged Fund, costing investors \$1.6 billion.

Since then, a variety of entities have started investigations, or filed suit alleging malfeasance, including the Securities and Exchange Commission and the states of New York and Massachusetts.

Representatives of Bear Stearns and J.P. Morgan Chase & Co., which closed its \$1 billion acquisition of the brokerage last week, were not immediately available for comment.