

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

David H. Leslie-Hughes, Esq.

Case Number: 00-01032

Name of the Respondent

American Express Financial Advisors, Inc.

Hearing Site: Philadelphia, PA

Nature of the Dispute: Associated Person v. Member.

REPRESENTATION OF PARTIES

Claimant, David H. Leslie-Hughes, Esq., was represented by J. Matthew Wolfe, Esq., Office of Alice W. Ballard, P.C., Philadelphia, Pennsylvania.

Respondent, American Express Financial Advisors, Inc. ("AEFA"), was represented by Carolyn Guy, Esq., Schermer & Guy, PLLP, Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed on March 1, 2000.

Claimant signed the Uniform Submission Agreement on February 28, 2000.

Statement of Answer filed by Respondent on May 11, 2000.

A representative of Respondent executed the Uniform Submission Agreement on May 11, 2000.

Claimant filed a Motion to Amend the Statement of Claim on May 14, 2003.

Respondent filed a Memorandum in Opposition to Claimant's Motion to Amend the Statement of Claim on April 25, 2003.

Claimant filed a Reply Memorandum to Respondent's Answer to Claimant's Motion to Amend the Statement of Claim on May 14, 2003.

Claimant filed a Motion for Reconsideration of the Motion to Amend the Statement of Claim on August 14, 2003.

Respondent filed a Memorandum in Opposition to Claimant's Motion for Reconsideration on September 5, 2003.

Respondent filed a Motion and Memorandum in Support of its Motion to Dismiss Claimant's Statement of Claim on October 29, 2003.

Claimant filed a Memorandum in Opposition to Respondent's Motion to Dismiss Claimant's Statement of Claim on or about November 19, 2003.

Respondent filed a Response to Claimant's Opposition to the Motion to Dismiss the Statement of Claim on December 4, 2003.

CASE SUMMARY

Claimant asserted the following causes of action, among others: libel and slander related to his termination from employment with Respondent.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following affirmative defenses: Claimant's claims are barred by the doctrines of unclean hands and estoppel; Claimant's claims must fail because of qualified immunity; and, all statements made by Respondent were truthful.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

| | |
|-----------------------------------|-------------------------|
| Compensatory Damages | \$ 5,000 |
| Punitive Damages | \$ 5,000 |
| Attorneys' Fees | \$ 3,000 |
| Other Costs | \$ 525 |
| Other Non-Monetary Relief if any: | that his U-5 be changed |

Respondent in its Statement of Answer requested that Claimant's claims be dismissed and that Claimant be assessed Respondent's costs and fees with regard to this arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

On July 15, 2003, the Arbitrator denied Claimant's Motion to Amend the Statement of Claim.

On September 28, 2003, the Arbitrator denied Claimant's Motion for Reconsideration and affirmed the prior Order denying Claimant's Motion to Amend the Statement of Claim.

On December 10, 2003, the Arbitrator granted Respondent's Motion to Dismiss Claimant's Statement of Claim.

AWARD

After considering the pleadings, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent's Motion to Dismiss Claimant's Statement of Claim is granted;
2. Claimant's claims are dismissed with prejudice in their entirety;
3. All claims for punitive damages and attorneys fees are denied in their entirety;
4. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,

5. Any and all relief not specifically addressed herein is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 75

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(s) at the time of the events giving rise to the dispute. Accordingly, Respondent is a party.

Member surcharge = \$ 300

Total Member Fees = \$ 300

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A 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 sessions with a single arbitrator @ \$ 250 = \$ 500

Pre-hearing conferences: September 22, 2003 1 session

October 20, 2003

Total Forum Fees = \$ 500

1. The Arbitrator has assessed \$ 250 of the forum fees to Claimant.
2. The Arbitrator has assessed \$ 250 of the forum fees to Respondent.

SEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee = \$ 75

Forum Fees = \$ 250

Total Fees = \$ 325

Less payments = \$ 325

Balance Due NASD Dispute Resolution = \$ 00

2. Respondent is assessed and shall pay the following fees:

Member Fees = \$ 300

Forum Fees = \$ 250

Total Fees = \$ 550

Refund owed to Respondent = \$ 350

ARBITRATION PANEL

Public Arbitrator, Sole Panelist

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Arbitrator's Signature

Kenneth Stewart

Kenneth Stewart

Public Arbitrator, Sole Panelist

December 19, 2003

Signature Date

December 24, 2003

Date of Service (For NASD Dispute Resolution office use only)