

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Name of Claimant

Sean P. Craig

and

03-03675  
Chicago, Illinois

Name of Respondents

Investment Planners, Inc.

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Nature of the Dispute: Associated Person vs. Member.

**REPRESENTATION OF PARTIES**

Sean P. Craig ("**Claimant**") was represented by Peter J. Berman, Esq., Peter J. Berman, Ltd., Chicago, Illinois.

Investment Planners, Inc. ("**Respondent**") was represented by Mark E. Jackson, Esq., Samuels, Miller, Schroeder, Jackson & Sly, Decatur, Illinois

**CASE INFORMATION**

Statement of Claim filed on or about May 19, 2003. Claimant, Sean P. Craig, signed the Uniform Submission Agreement: May 5, 2003.

Statement of Answer filed by Respondent, Investment Planners, Inc., on or about July 11, 2003: Respondent, Investment Planners, Inc., signed the Uniform Submission Agreement: July 10, 2003.

The only substantive motion filed by the parties is their Joint Motion For A Stipulated Award.

**CASE SUMMARY**

Craig's Statement of Claim contends that he was a registered representative of IPI, which is a broker-dealer and a Member of the NASD, from April 1996 until November 1996. He claims that he resigned voluntarily from IPI in November 1996. Craig's Statement of Claim contends that IPI submitted a Form U-5 to the NASD in 1997, which stated falsely that his employment with IPI had been terminated involuntarily in 1997, and that this defamatory information is reflected on the Central Registration Depository ("CRD"). Craig's Statement of Claim also claims that he did not learn about the false information on the CRD until 2003, when he applied for a position with another

broker-dealer, which refused to hire him because of the false information. Craig also claimed that he asked IPI to submit a new Form U-5 to the NASD that corrected the false information it provided in 1997, and that IPI refused this request.

IPI claimed that it discharged Craig in January 1997, after he failed to attend a Compliance Meeting in December 1996 and he failed to pay IPI for NASD and state licensing fees for 1997. Craig, however, pointed out that he was not required to attend IPI's December 1996 Compliance Meeting because he had resigned one month earlier and that his new employer paid his NASD and state licensing fees for 1997, and that he was not required to pay IPI such fees for 1997. Craig also claimed that the information on the CRD concerning why his employment with IPI was terminated also states falsely that he failed to pay an E & O insurance premium to IPI. IPI admitted that Craig did not fail to pay any E & O insurance premium to IPI, but it also claimed that it never submitted this information to the NASD, and that it does not know how it became a part of Craig's CRD record.

#### **RELIEF REQUESTED**

Claimant requests that the Arbitration Panel enter an Award directing the NASD to expunge the information on the CRD record that states that he was discharged involuntarily by IPI on January 21, 1997 for failing to attend a Compliance Meeting in December 1996, failing to pay IPI for NASD and state licensing fees for 1997, and failing to pay E & O insurance premiums, or for any other reason. Claimant requests that the NASD correct Craig's CRD record by stating that he resigned voluntarily from IPI in mid-November 1996. Claimant did not request any monetary relief.

Respondent has joined the Claimant's request in the parties' Joint Motion For A Stipulated Award.

#### **OTHER ISSUES CONSIDERED & DECIDED**

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies. The parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

#### **AWARD**

After considering the pleadings and the stipulation of the parties, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination and find as follows:

1. The NASD shall expunge the information on Craig's CRD record stating that Craig was discharged involuntarily by IPI on January 21, 1997 for failing to attend a Compliance Meeting in December 1996, failing to pay IPI for NASD and state licensing fees for 1997, and failing to pay E & O insurance premiums, or for any other reason. Instead, the NASD shall state that Craig resigned voluntarily from IPI in mid-November 1996.

2. The expungement relief is granted based on the defamatory nature of the information in the CRD system, however, there has been no finding that the elements required to satisfy a claim for defamation under governing law have been met.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

### **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 = \$250.00

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is Investment Planners, Inc.

Member surcharge	\$	1,500.00
Pre-hearing process fee	\$	750.00
Total Member Fees	\$	2,250.00

### **Fee Summary**

Claimant, Sean P. Craig, shall be and hereby is liable for:

Initial Filing Fee	= \$	250.00
Total Fees	= \$	250.00
<u>Less payments</u>	= \$	-1,250.00
Balance to be refunded by NASD Dispute Resolution	= \$	-1,000.00

Respondent, Investment Planners, Inc., shall be and hereby is liable for:

Member Fees	= \$	2,250.00
Total Fees	= \$	2,250.00
<u>Less payments</u>	= \$	<u>-2,250.00</u>
Balance Due NASD Dispute Resolution	= \$	0.00

All balances are due to NASD Dispute Resolution

**ARBITRATION PANEL**

Robert C. Bonges, Esq. - Public Arbitrator, Presiding Chair  
Peter Ordower, Esq. - Public Arbitrator  
Susan K. Franz - Non-Public Arbitrator

Concurring Arbitrators:

\_\_\_\_\_  
Robert C. Bonges, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Peter Ordower, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Susan K. Franz  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

Date of Service: 7/19/04

Respondent, Investment Planners, Inc., shall be and hereby is liable for:

Member Fees	= \$	2,250.00
Total Fees	= \$	2,250.00
<u>Less payments</u>	= \$	-2,250.00
Balance Due NASD Dispute Resolution	= \$	0.00

All balances are due to NASD Dispute Resolution

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Peter Ordower, Esq. - Public Arbitrator  
Susan K. Franz - Non-Public Arbitrator

Concurring Arbitrators:

Robert C Bonges

Robert C. Bonges, Esq.  
Public Arbitrator, Presiding Chair

July 13, 2004  
Signature Date

\_\_\_\_\_  
Peter Ordower, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Susan K. Franz  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

NASD Dispute Resolution  
Arbitration No. 03-03675  
Stipulated Award Page 4 of 4

Respondent, Investment Planners, Inc., shall be and hereby is liable for:

Member Fees	= \$	2,250.00
Total Fees	= \$	2,250.00
<u>Less payments</u>	= \$	<u>-2,250.00</u>
Balance Due NASD Dispute Resolution	= \$	0.00

All balances are due to NASD Dispute Resolution

**ARBITRATION PANEL**

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Peter Ordower, Esq. - Public Arbitrator  
Susan K. Franz - Non-Public Arbitrator

Concurring Arbitrators:

\_\_\_\_\_  
Robert C. Bonges, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Peter Ordower, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
\_\_\_\_\_  
Susan K. Franz  
Non-Public Arbitrator

07-08-04  
\_\_\_\_\_  
Signature Date

NASD Dispute Resolution  
 Arbitration No. 03-03675  
 Final Award Page 4 of 4

Respondent, Investment Planners, Inc., shall be and hereby is liable for:

Member Fees	= \$	2,250.00
Total Fees	= \$	2,250.00
Less payments	= \$	-2,250.00
Balance Due NASD Dispute Resolution	= \$	0.00

All balances are due to NASD Dispute Resolution

### **ARBITRATION PANEL**

Robert C. Bonges, Esq. - Public Arbitrator, Presiding Chair  
 Peter Ordower, Esq. - Public Arbitrator  
 Susan K. Franz - Non-Public Arbitrator

#### **Concurring Arbitrators:**

Robert C. Bonges, Esq.  
 Public Arbitrator, Presiding Chair



Peter Ordower, Esq.  
 Public Arbitrator

Signature Date

7/8/04  
 Signature Date

Susan K. Franz  
 Non-Public Arbitrator

Signature Date