

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Robert D. Williams

v.

Case Number: 03-08428
Hearing Site: Kansas City, Missouri

Respondents

RBC Dain Rauscher, Inc., James Chapman
and Mary Jane Delaney

and

Counter-Claimant

RBC Dain Rauscher, Inc.

v.

Counter-Respondent

Robert D. Williams

NATURE OF DISPUTE

Associated Person v. Member and Associated Persons

REPRESENTATION OF PARTIES

Robert D. Williams ("Claimant") was represented by Henri J. Watson, Esq., and Angela L. Williams, Esq., Watson & Dameron, LLP, Kansas City, Missouri.

RBC Dain Rauscher, Inc. ("RBC"), James Chapman ("Chapman") and Mary Jane Delaney ("Delaney"), hereinafter collectively referred to as "Respondents," were represented by John W. Shaw, Esq., and Johanna Telke, Esq., Berkowitz, Oliver, Williams, Shaw & Eisenbrandt, LLP, Kansas City, Missouri.

CASE INFORMATION

The Statement of Claim was filed on or about November 25, 2003. The Statement of Amended Claim was filed on about April 13, 2004. The Submission Agreement of Robert D. Williams was signed on or about November 14, 2003.

The Statement of Answer was filed jointly by Respondents on or about March 30, 2004. The Counterclaim of RBC Dain Rauscher, Inc. was filed on or about March 30, 2004. The Statement of Answer to the Amended Statement of Claim was filed jointly by Respondents on or about June 1, 2004. The Submission Agreement of RBC Dain Rauscher, Inc., was signed on or about March 30, 2004. The Submission Agreement of Mary Jane Delaney was signed on or about March 17, 2004. The Submission Agreement of James Chapman was signed on or about March 19, 2004.

Claimant filed an Answer to Counterclaim on or about April 14, 2004.

Respondents filed a Motion for Disposition Prior to Hearing on or about March 4, 2005. Claimant filed a Response to Respondents' Motion for Disposition Prior to Hearing on or about April 18, 2005.

Claimant filed a Motion to Dismiss or Summary Judgment with Suggestions on or about March 8, 2005. RBC filed a Reply to Claimant's Motion to Dismiss or Summary Judgment with Suggestions on or about April 18, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: libel and slander on a Form U5; libel, slander and defamation of character, wrongful termination, harassment, breach of fiduciary duty; invasion of privacy; and interference with business relationships. The causes of action related to Claimant's allegation that Respondents wrongfully terminated his employment as a branch manager.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: all Respondents acted in good faith towards Claimant at all times; Claimant's theory of recovery for wrongful termination has no support in Kansas law; the allegation of interference with business relationships fails to state any legally cognizable claim and is false; and Claimant cannot state a claim for breach of fiduciary duty, because Respondents acted in good faith at all times.

RBC asserted a counterclaim for indemnification and contribution for any adverse award.

In his Answer to Counterclaim, Claimant denied the allegations made in the Statement of Claim and asserted defenses including the following: Claimant denied he was negligent and denied that RBC is not entitled to any relief under the applied law and facts of its counterclaims; RBC fails to state a claim on which relief can be granted; and RBC's counterclaim is barred by the statute of limitations.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$1,000,000.00
Punitive Damages	\$ 3,000,000.00
Attorneys' Fees	\$ unspecified
Other Costs	\$ unspecified
Other Monetary/Non-Monetary Relief:	\$ unspecified

Respondents requested that the claims asserted against them be dismissed in their entirety and that they be awarded their costs and attorneys' fees.

In its Counterclaim RBC requested indemnification and contribution from Claimant.

OTHER ISSUES CONSIDERED & DECIDED

In its Order entered on July 7, 2005, the Panel continued the hearing on Respondents' Motion for Disposition Prior to Hearing and Claimant's Motion to Dismiss or Summary Judgment with Suggestions, to a date determined by the Panel.

During the pre-hearing conference on February 15, 2006, the Panel dismissed Claimant's Claim for wrongful termination. Claimant's Motion to Dismiss or Summary Judgment with Suggestions was deferred until the hearing.

At the hearing, Claimant filed a dismissal of its claims against Mary Jane Delaney fully and finally with prejudice. The Panel entered the dismissal.

At the conclusion of Claimant's case-in-chief, Respondents orally moved for dismissal of Claimant's remaining causes of action. The Panel granted the motion to dismiss with respect to the defamation claim, and denied the motion with respect to tortious interference and breach of fiduciary duty claims.

At the close of Respondents' evidence in defense of Claimant's claims, Respondents orally moved to dismiss Claimant's tortious interference claim. The Panel denied the motion.

At the conclusion of RBC's case-in-chief regarding its counterclaim, Claimant renewed its Motion to Dismiss or Summary Judgment with Suggestions. The Panel denied the motion.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims, each and all are denied and dismissed with prejudice;
- 2.) The Counter-Claim of Respondent, RBC Dain Rauscher, Inc.; is denied and dismissed with prejudice;
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

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	= \$	600.00
Counterclaim filing fee	= \$	2,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the event giving rise to the dispute. In this matter, the member firm is RBC Dain Rauscher, Inc.

Member surcharge	= \$	2,800.00
Pre-hearing process fee	= \$	750.00
Hearing process fee	= \$	5,000.00

Adjournment Fees

Adjournments requested during these proceedings:

June 21 – 24, 2005, adjournment by Claimant	= \$	1,200.00
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April 10 -14, 2006, adjournment to mediate filed jointly (fee waived) = \$ 1,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted and each decision rendered on a discovery-related motion on the papers. A hearing 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:

Four (4) Pre-hearing sessions with Panel x \$1,200.00 = \$ 4,800.00

Pre-hearing conferences:

August 27, 2004	1 session
July 7, 2005	1 session
January 27, 2006	1 session
February 15, 2006	1 session

Ten (10) Hearing sessions x \$1,200.00 = \$ 12,000.00

Hearing Dates:

July 31, 2006	2 sessions
August 1, 2006	2 sessions
August 2, 2006	2 sessions
August 3, 2006	2 sessions
August 4, 2006	2 sessions

Total Forum Fees = \$ 16,800.00

The Arbitration Panel has assessed \$16,800.00 of the forum fees to Robert D. Williams.

Fee Summary

Claimant, Robert D. Williams, is liable for:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$ 16,800.00
Total Fees	= \$ 18,600.00
Less payments	= \$ 2,382.50
Balance Due NASD Dispute Resolution	= \$ 16,217.50

Respondent, RBC Dain Rauscher, Inc. is liable for:

Counterclaim Filing Fee	= \$ 2,000.00
Member Fees	= \$ 8,550.00
Total Fees	= \$ 10,550.00
Less payments	= \$ 10,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Murray S. Levin, Esq. – Public Arbitrator, Presiding Chair
Eric T. Williams, Esq. - Public Arbitrator
Michael A. Rzewnicki - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Murray S. Levin, Esq.
Murray S. Levin, Esq.
Public Arbitrator, Presiding Chair

August 16, 2006
Signature Date

/s/ Eric T. Williams, Esq.
Eric T. Williams, Esq.
Public Arbitrator

August 16, 2006
Signature Date

/s/ Michael A. Rzewnicki
Michael A. Rzewnicki
Non-Public Arbitrator

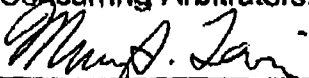
August 16, 2006
Signature Date

August 17, 2006
Date of Service (For NASD office use only)

ARBITRATION PANEL

Murray S. Levin, Esq. – Public Arbitrator, Presiding Chair
Eric T. Williams, Esq. - Public Arbitrator
Michael A. Rzewnicki - Non-Public Arbitrator

Concurring Arbitrators:



Murray S. Levin, Esq.
Public Arbitrator, Presiding Chair

8/16/06

Signature Date

Eric T. Williams, Esq.
Public Arbitrator

Signature Date

Michael A. Rzewnicki
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

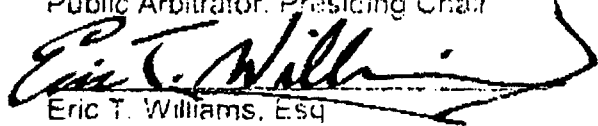
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Murray S. Levin, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Eric T. Williams, Esq.
Public Arbitrator

16 August 2006
Signature Date

Michael A. Rzewnicki
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Eric T. Williams, Esq. - Public Arbitrator

Michael A. Rzewnicki - Non-Public Arbitrator

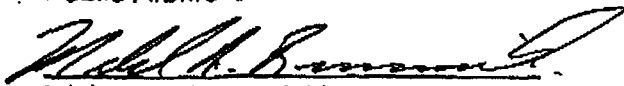
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Signature Date

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Public Arbitrator

Signature Date



Michael A. Rzewnicki
Non-Public Arbitrator

8/16/06

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