

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 05-02701

Craig A. Spry

Names of the Respondents

Hearing Site: Charlotte, North Carolina

Wachovia Securities, LLC  
Wesley M. Egan

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Nature of the Dispute: Associated Person vs. Member and Associated Person

REPRESENTATION OF PARTIES

Claimant Craig A. Spry, hereinafter referred to as "Claimant", was represented by Joseph W. Moss, Jr., Bishop, Capitano & Moss, P.A., Charlotte, North Carolina.

Respondents Wachovia Securities, LLC ("Wachovia") and Wesley M. Egan ("Egan"), hereinafter collectively referred to as "Respondents", were represented by Wood W. Lay, Esq., Hunton & Williams LLP, Charlotte, North Carolina.

CASE INFORMATION

Statement of Claim filed on May 20, 2005.

Claimant signed the Uniform Submission Agreement on May 16, 2005.

Statement of Answer filed by Respondents on July 21, 2005.

Respondent Egan signed the Uniform Submission Agreement on July 22, 2005.

A representative of Respondent Wachovia executed the Uniform Submission Agreement on July 20, 2005.

CASE SUMMARY

Claimant asserted the following causes of action, among others: unpaid wages, commissions and bonuses; civil conspiracy; libel; intentional interference with prospective opportunity; violation of North Carolina black listing statute; and unfair and deceptive trade practices. The causes of action relate to Claimant's employment with and termination from Respondent Wachovia.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; claims barred in whole or in part because statements were privileged true and without malice; claimant received all wages, commissions, bonuses and compensation or benefits owed to him; and failure to mitigate damages.

### RELIEF REQUESTED

Claimant in his Statement of Claim requested compensatory damages between \$650,000 to \$4,650,000, treble and punitive damages between \$1,950,000.00 to \$10,000,000, interest, costs, attorneys' fees, and a recommendation of expungement of his records with CRD.

Respondents requested dismissal of the Statement of Claim in its entirety and award Respondents costs, attorneys' fees, and any other relief the arbitrators deem appropriate.

### OTHER ISSUES CONSIDERED AND DECIDED

The parties entered into an agreement to present to the Panel a Stipulated Award. Claimant requested expungement of all references to the customer complaint and settlement with Robert Tucker. Respondents did not oppose this request but left to the Panel to decide whether to grant the requested relief, including making any findings in support thereof. In accordance with NASD Rule 2130, the Panel concluded that expungement is appropriate and necessary based upon the factual record submitted by Claimant to the Panel with the request for the Stipulated Award. The Panel therefore recommends and directs the expungement of all references to the complaint and settlement payment to Robert Tucker from Claimant's CRD record. The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

### AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Pursuant to the confidential settlement reached between all parties, all claims against the Respondents Wachovia and Egan are dismissed with prejudice;
2. The Panel recommends that NASD expunge all references to the customer complaint of and settlement payment to Robert Tucker from Claimant's registration records maintained by the NASD Central Registration Depository ("CRD"). This portion of the stipulated award is made with the understanding that, pursuant to Notice to Members 04-16, Claimant must obtain confirmation from a court of competent jurisdiction before the CRD will execute this expungement directive;

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents;

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds;

3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein, including punitive damages, 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	= \$	600.00
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#### 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 Wachovia is a party.

Member surcharge	= \$	3,750.00
Pre-hearing process fee	= \$	750.00
<u>Hearing process fee</u>	= \$	<u>5,500.00</u>
Total Member Fees	= \$	10,000.00

#### Forum Fees and Assessments

The Panel 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:

One (1) Pre-hearing session with Panel @ \$1,200.00	= \$	2,400.00
Pre-hearing conference:    October 13, 2005                      1 session		

October 6, 2006

1 session

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Total Forum Fees = \$ 2,400.00

1. The Panel has assessed \$ 400.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 400.00 of the forum fees to Respondent Wachovia.
3. The Panel has assessed \$ 1,600.00 to Respondent Egan.

FEE SUMMARY

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

Initial Filing Fee	= \$	600.00
Forum Fees	= \$	400.00
Total Fees	= \$	1,200.00
Less payments	= \$	1,800.00
Refund Owed to Claimant	= \$	600.00

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

Member Fees	= \$	10,000.00
Forum Fees	= \$	400.00
Total Fees	= \$	10,400.00
Less payments	= \$	10,000.00
Balance Due NASD Dispute Resolution	= \$	400.00

3. Respondent Egan is assessed and shall pay the following fees:

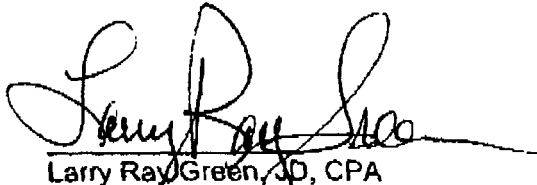
Forum Fees	= \$	1,600.00
Total Fees	= \$	1,600.00
Less payments	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	1,600.00

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

ARBITRATION PANEL

Larry Ray Green, JD, CPA	-	Public Arbitrator, Presiding Chairperson
William P. Mitchell	-	Public Arbitrator, Panelist
Frank Samuel Perri, II	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

  
Larry Ray Green, Jr., CPA  
Public Arbitrator, Presiding Chairperson

10/2/06  
Signature Date

William P. Mitchell  
Public Arbitrator, Panelist

Signature Date

Frank Samuel Perri, II  
Non-Public Arbitrator, Panelist

Signature Date

October 3, 2006  
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Larry Ray Green, JD, CPA  
Public Arbitrator, Presiding Chairperson

Signature Date

William P. Mitchell  
William P. Mitchell  
Public Arbitrator, Panelist

9/22/06  
Signature Date

Frank Samuel Perri, II  
Non-Public Arbitrator, Panelist

Signature Date

October 3 2006  
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Larry Ray Green, JD, CPA  
Public Arbitrator, Presiding Chairperson

Signature Date

William P. Mitchell  
Public Arbitrator, Panelist

Signature Date

FL Perri  
Frank Samuel Perri, II  
Non-Public Arbitrator, Panelist

9.12.06  
Signature Date

October 3, 2006  
Date of Service (For NASD Dispute Resolution office use only)