



October 18, 1994 - two sessions

Hearing Location: Omni Hotel, Baltimore, Maryland

### **CASE SUMMARY**

Claimant alleged, among other things, that Respondent terminated her employment with it to prevent Claimant from testifying to the Securities and Exchange Commission ("SEC"). Claimant alleged that Respondent shifted its responsibility to Claimant for its participation in the government bond trading practices under investigation by the SEC. Claimant alleged that Respondent discriminated against her based on sex. Claimant alleged that this type of discrimination violated the Equal Pay Act, 29 U.S.C. Section 206(d) (hereinafter referred to as "EPA"). Claimant alleged that the EPA was violated because Respondent paid wages to her at a rate less than her male counterparts.

Respondent categorically denied all allegations of wrongdoing asserted by Claimant. Respondent maintained that Claimant was terminated for false reporting of trading practices to the government in government sponsored enterprises (hereinafter referred to as "GSE's"). Respondent contended that Claimant's termination was based on Claimant's preparing false letters and reports to the GSE's as well as gross misconduct. Respondent maintained that it did not violate the EPA and that Claimant's compensation package exceeded that of her male counterpart.

### **RELIEF REQUESTED**

Claimant requested damages in the amount of \$2,000,000.00; punitive damages in the amount of \$3,000,000.00; attorney's fees and costs. Claimant also requested that the Panel order Respondent to amend and revise the Termination Notice that Respondent filed with the self regulatory organizations.

Respondent requested that Claimant's claim be dismissed in its entirety and that it be awarded its costs and reasonable attorneys' fees.

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

After the close of Claimants' case Respondent made a Motion to Dismiss Claimant's claim. The Panel's decision on that Motion is found under the Award Section below.

Pursuant to the pleadings filed by the parties, the Panel understands that while Claimant brought a claim under the EPA, Claimant did not assert any claims under Title VII of the Civil Rights Act.

### **AWARD**

After considering the parties 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. After the conclusion of Claimant's case, Respondent made a motion to dismiss based on i) failure to prove an Equal Pay Act violation under 29 U.S.C. Section 206(d) or ii) the public policy exception to the employment at will doctrine constituting the Claimant's wrongful discharge claim. The Panel finds in Respondent's favor.

The Panel determined that Claimant failed to meet her burden of proof, and therefore dismissed all of Claimant's claims, including her claims for punitive damages, attorney's fees and amendment of her termination notice.

2. That the parties shall bear their respective costs, including attorney's fees, except as specifically provided below.

### **FORUM FEES**

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed.

1 pre hearing conference session x \$300 = \$300

6 hearing sessions X \$1,000 = \$6,000

The Panel has determined that the cost of the pre hearing conference in the amount of \$300 shall be borne by the Respondent. The panel has determined that the costs of the hearing sessions shall be equally borne by the parties. Claimant is assessed forum fees in the amount of \$3,000, however, she is entitled to offset this amount with her hearing session deposit of \$1,000 previously filed so that the amount due from the Claimant as forum fees is \$2,000. Respondent is assessed hearing session fees in the amount of \$3,000 so that the total amount due from the Respondent as forum fees is \$3,300.

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Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures  
Name

Public/Industry

\_\_\_\_\_  
Anne W. Larkin, Esq.

\_\_\_\_\_  
Ernestine M. R. Zipoy

\_\_\_\_\_  
Byron P. Fusini

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

93-01095

Maria Stein

Claimant(s)

vs.

Brown (Alex) & Sons Incorporated

Respondent(s)

OATH  
OF  
ARBITRATOR

Having been selected as an arbitrator to consider the matter in controversy between the above-captioned parties, I solemnly swear and affirm that I am not an employer of, employed by, or related by blood or marriage to any of the parties or witnesses whose names have been disclosed to me; that I have no direct or indirect interest in this matter; I know of no existing or past financial, business, professional, family or social relationship which would impair me from performing my duties; and that I will decide the controversy in a fair manner and render a just award.

Bryon P. Fusini  
Bryon P. Fusini

STATE OF Maryland ss.:

COUNTY OF Baltimore

On this 12 day of September 19 94, before me personally appeared Bryon P. Fusini to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

Margaret A. Puslet  
LQ25A

