

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of Arbitration Between

Name of Claimant

Stephen Collins

93-01958

Name of Respondent

Great Northern Insurance Annuity Corporation

REPRESENTATION

For Claimant Stephen Collins ("Claimant") appeared Donna B. Ford, Esq., from the law firm of Byrd R. Brown, located in Pittsburgh, Pennsylvania.

For Respondent Great Northern Insurance Annuity Corporation ("Respondent") appeared Edward Noonan, Esq., from the law firm of Eckert Seamans, Cherin & Mellot, located in Pittsburgh, Pennsylvania.

CASE INFORMATION

Statement of Claim filed: May 11, 1993.

Claimant's Submission Agreement signed on: August 5, 1993.

Respondent's Statement of Answer filed: September 28, 1993.

Respondent's Submission Agreement signed on: September 23, 1993.

HEARING INFORMATION

Hearing Dates/Sessions:	June 30, 1994	-	2 Sessions
	July 1, 1994	-	2 Sessions

The hearings were held at the William Penn Hotel located in Pittsburgh, Pennsylvania.

CASE SUMMARY

Claimant alleged that he was wrongfully terminated by the Respondent because of his race. Claimant alleged that he was offered employment as an account executive with PNB's Provest Services, following a merger between PNB and his previous employer, First Federal Bank ("First Federal"), and that his employment was contingent upon his passing the Series 6 and 63 examinations. Provest Services was a joint program between PNB and Respondent.

Claimant further alleged that he was informed that he would be provided with study materials on February 8, 1991, but that he only received part of his study materials on or about March 7, 1991. Additionally, Claimant alleged that other employees who were also training to become account executives had received their study materials two weeks to a month prior to the time he received them.

Further, Claimant alleged that he was advised that he would be placed in a PNB branch to obtain first hand experience in the securities and annuities business, but that he was never placed at a branch office. Claimant also alleged that he was told by his supervisors that PNB's clientele was more sophisticated than he was accustomed to at First Federal, that he didn't project the image the clientele could accept and that he was going to be placed in an area of Pittsburgh, East Liberty, which the Claimant alleged is known to be predominantly black.

Finally, Claimant alleged that he failed the Series 6 exam, passed the Series 63 exam and was subsequently terminated, but that others also training to become account executives who failed were not terminated.

Respondent maintained that Claimant was not terminated because of his race. Respondent denied that it provided other individuals with study materials two weeks before such materials were provided to Claimant. Respondent maintained that because of a delay in obtaining the study materials, each representative was granted a two week extension for licensure and that, during the week of March 4, 1991, all representatives were notified that the study materials were available.

Respondent maintained that Claimant was terminated because he failed the series 6 examination by a significant margin and that his termination was in accordance with the conditions stated in his employment agreement. Respondent admitted that there were some employees also training to become account executives who failed but were not terminated. However, Respondent maintained that only individuals who received a score on the Series 6 exam that was close to passing, or who passed the Series 6 and failed the Series 63 exam, were permitted to retake the examination. Respondent further maintained that those individuals, like Claimant, who failed the Series 6 exam by a significant margin were not permitted to retake the examination.

RELIEF REQUESTED

Claimant requested damages in the amount of \$70,000.00, representing two years lost earnings, the reinstatement of his job, attorney's fees and costs.

Respondent requested that all claims be dismissed in their entirety and that costs, including reasonable attorneys fees, be entered in its favor.

OTHER ISSUES CONSIDERED & DECIDED

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 remain on file with the 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. All Claims against Respondent be and hereby are dismissed in their entirety.
2. Each party shall bear their respective costs, including attorney's fees.
3. All other claims be and hereby are denied.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the arbitrators have assessed the following forum fees:

4 sessions X \$600.00 = \$2400.00.

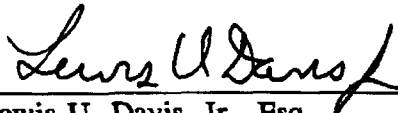
The forum fees are assessed against:

1. Claimant be and hereby is liable and shall pay to the NASD the sum of \$1200.00 representing one-half of the outstanding forum fees.
2. Respondent be and hereby is liable and shall pay to the NASD the

sum of \$1200.00 representing one-half of the outstanding forum fees.

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

ARBITRATORS' SIGNATURES



Lewis U. Davis, Jr., Esq.
Chairperson - Public Arbitrator

Timothy D. Wasson
Industry Arbitrator

Leo A. Hanna, CPA
Public Arbitrator

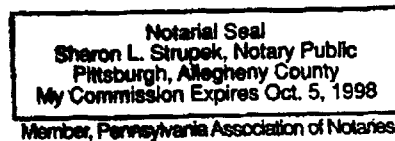
Date of Decision: December 2, 1994

STATE OF: *Pennsylvania*

COUNTY OF: *Allegheny* ss:

On this *14th* day *Nov*, 1994, before me personally appeared **Lewis U. Davis, Jr., Esq.** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

Sharon L. Strupek



STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared **Timothy D. Wasson** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared **Leo A. Hanna, CPA** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

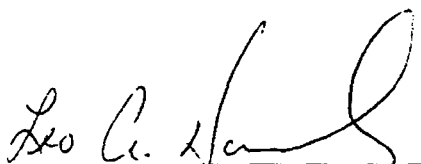
sum of \$1200.00 representing one-half of the outstanding forum fees.

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

ARBITRATORS' SIGNATURES

Lewis U. Davis, Jr., Esq.
Chairperson - Public Arbitrator

Timothy D. Wasson
Industry Arbitrator



Leo A. Hanna, CPA
Public Arbitrator

Date of Decision: December 2, 1994

STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared Lewis U. Davis, Jr., Esq. known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared Timothy D. Wasson known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

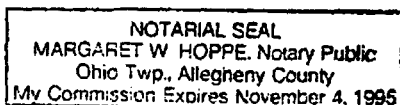
STATE OF:

COUNTY OF:

ss:

On this *10th* day *Nov*, 1994, before me personally appeared Leo A. Hanna, CPA known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

Margaret W. Hoppe

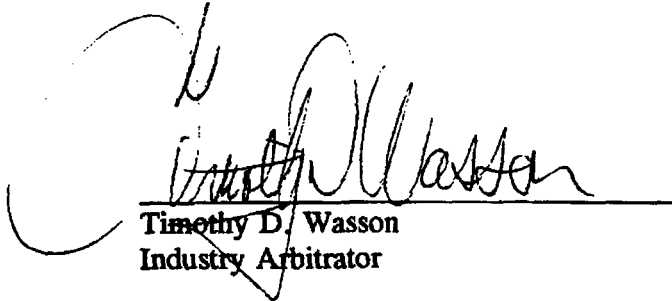


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Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS' SIGNATURES

Lewis U. Davis, Jr., Esq.
Chairperson - Public Arbitrator



Timothy D. Wasson
Industry Arbitrator

Leo A. Hanna, CPA
Public Arbitrator

Date of Decision: December 2, 1994

STATE OF:


COUNTY OF:

ss:

On this day , 1994, before me personally appeared Lewis U. Davis, Jr., Esq. known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF: *Michigan*
 Kalamazoo
COUNTY OF: ss:

On this *29th* day *November*, 1994, before me personally appeared Timothy D. Wasson known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.



Timothy D. WASSON

NOTARY PUBLIC:

Marilyn J. Rozankovich

COMMISSION EXPIRES:

STATE OF:

COUNTY OF:

ss:

MARILYN J. ROZANKOVICH
Notary Public, Kalamazoo County, MI
My Commission Expires June 11, 1996

On this day , 1994, before me personally appeared Leo A. Hanna, CPA known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.
