

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Bradley C. Weddon

NASD Arbitration
No. 94-02169

Name of Respondents

Cruttenden & Company
Walter C. Cruttenden, III

REPRESENTATION

For Claimant: Glen R. Mozingo, Esq., Mozingo & Price, Newport Beach, California

For Respondents: John R. Loftus, Esq., Keesal, Young & Logan, Long Beach, California

CASE INFORMATION

Statement of Claim filed: June 8, 1994

Amendment to Claim filed: March 3, 1995

Claimant's Submission Agreement signed: June 3, 1994

Joint Statement of Answer & Counterclaim filed October 4, 1994

Reply to Amendment to Claim filed March 15, 1995

Respondents' Submission Agreements signed:

Cruttenden & Co.: September 30, 1994

Walter Cruttenden: September 30, 1994

Reply to Counterclaim filed December 2, 1994

HEARING INFORMATION

A pre-hearing telephone conference lasting one session was held on August 23, 1995.

The evidentiary hearing was held in Los Angeles, California as follows:

September 18, 1995	-	2 sessions
September 19, 1995	-	2 sessions
September 22, 1995	-	3 sessions

CASE SUMMARY

Claimant alleged that Respondents wrongfully terminated him in violation of public policy, breached the written employment agreement between the parties by terminating him without good cause, failed to pay him at the time of his termination for unpaid commissions and bonuses, unlawfully discriminated against him on the basis of his age, and failed to deliver warrants allegedly due him at the time of termination. Prior to commencement of the arbitration hearing, Claimant dismissed his claim for age discrimination.

Respondents denied the allegations of the claim, and asserted that the termination was not retaliatory, was for good cause or, alternatively, that Weddon was an at-will employee whose employment could be terminated at any time, with or without good cause. Respondents asserted a counterclaim against Claimant for libel arising out of newspaper articles discussing the claim for retaliatory termination in violation of public policy. During the hearing, Respondents requested, and were granted, leave to amend their Answer to add an affirmative defense of offset in the amount of allegedly false expenses that had been improperly reimbursed during Claimant's employment.

Claimant denied the allegations of the libel claim.

RELIEF REQUESTED

Claimant requested damages in the sum of \$500,000.00, plus unpaid wages of \$19,070.94, the undelivered warrants, and punitive damages in the amount of \$4 million.

Respondents requested dismissal of the claim in its entirety, \$500,000.00 on their counterclaim, and attorney's fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 originals 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. Each and every claim of Claimant Bradley C. Weddon against Respondents Cruttenden & Company and Walter C. Cruttenden III is dismissed.
2. Respondents' claim against Bradley C. Weddon for libel is dismissed.
3. Bradley C. Weddon shall pay \$15,000.00 in attorneys' fees to Respondents as a sanction for filing and maintaining a frivolous and bad faith claim for retaliatory termination in violation of public policy, pursuant to the California Code of Civil Procedure, Section 128.5.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the NASD shall retain the \$500 non-refundable filing fee paid by Claimant and the \$500 non-refundable filing fee paid by Counterclaimants.

Forum fees are assessed as follows:

Respondents are assessed one-half of the \$300 fee	
for the pre-hearing conference	= \$150.00
<u>Credit for deposit received</u>	<u>= \$750.00</u>
Refund due	= <u>\$600.00</u>

Claimant is assessed all remaining fees:

One-half pre-hearing conference	= \$150.00
<u>Seven hearing sessions @ \$1,000 / session</u>	<u>= \$7,000.00</u>
Subtotal	= \$7,150.00
<u>Credit for deposit received</u>	<u>= \$750.00</u>
Balance due	= <u>\$6,400.00</u>

Fees are payable to the NASD, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Christine A. Page	Industry Chairperson
Charles A. Graham	Industry Panelist
Andrew J. Sorenson	Industry Panelist

Concurring Arbitrators' Signatures

Andrew J. Sorenson

