

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Money Management Advisory Inc.

95-00493

Name of Respondent

Thomas Anderson

REPRESENTATION

For Claimant Money Management Advisory, Inc. ("Claimant"): John D. Quinn, Esq. and Sarah D. Jackowski from the law firm of Sale, Quinn, Deese & Weiss, P.C., Washington, D.C.

For Respondent Thomas Anderson ("Respondent"): Michael S. Friedman, Attorney at Law, Centerville, Virginia

CASE INFORMATION

Statement of Claim filed: January 30, 1995
Claimant's Submission Agreement signed by Edgar D. Mock, III, President Money Management Advisory, Inc. on: January 26, 1995
Claimant's Amended Statement of Claim filed on: January 19, 1996
Claimant's Second Amended Statement of Claim filed on: March 25, 1996

Motion to Dismiss Complaint, Motion for a more Definite Statement, Answer and Counterclaim filed by Respondent on: May 15, 1995
Respondent's Submission Agreement signed on: May 14, 1995

HEARING INFORMATION

Pre-Hearing Conference: March 19, 1996

Hearing Date/Sessions: April 8, 1996 - two sessions
April 9, 1996 - two sessions

Hearing Location: NASD Executive Office, Washington, D.C.

CASE SUMMARY

Claimant alleged that Respondent breached his agreement with Respondent not to provide financial planning services within a thirty-mile radius of any company office of Respondent for a two-year period after the termination of his employment. Respondent terminated his employment with Claimant on or about November 2, 1992, and Respondent contends that Claimant violated the agreement by providing financial planning services from offices in McLean and Annandale, Virginia which offices were within thirty miles of Respondent's offices in Annandale and Vienna, Virginia and Millersville, Maryland. Claimant alleged that Respondent was advised by Claimant that he was conducting financial planning activities in Northern Virginia and that this was a breach of his non-compete agreement. Claimant alleged that in breach of Respondent's agreement he continued to provide financial planning services throughout the proscribed area.

Respondent denied that he had breached this provision and rejected the assertion that his home or later established offices could be considered as a company office for purposes of determining the restrictive area covered by the non-compete clause in the agreement. Respondent counterclaimed alleging that Claimant either failed to pay commissions, bonuses and allowances or else paid them at rates other than the rates required by the contract. In addition, Respondent asserted a claim for defamation and tortious interference with contract arising out of correspondence sent by Claimant to Respondent's new broker/dealer and all of his clients.

Claimant denied that any commissions were due or that the communications were in any way improper.

RELIEF REQUESTED

Claimant, in its Second Amended Statement of Claim, requested damages in the amount of \$100,000, plus costs of this arbitration and reasonable attorneys' fees and expenses.

Respondent, in his pleading, requested an award for unpaid commissions in the total amount of \$57,656.70, plus 8% interest on this amount from May 30, 1995 until the day the award is paid, plus damages for defamation at the sum of \$1,000 per recipient of the defamatory letter as compensatory damages for the injury suffered by Respondent's reputation; Respondent requested damages against Claimant in the amount of \$1,000 for each instance of tortious interference with his right of contract with his individual clients.

In his post hearing submission, Respondent requested attorney's fees in the amount of \$30,000 and costs in the amount of \$2,234.95.

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(s) remain on file with the NASD.

At the conclusion of the evidence, Respondent dismissed his defamation and tortious interference claims at the conclusion of the evidence in this case.

AWARD

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

1. That Claimant's claim is denied in its entirety.
2. That Respondent's counterclaim is denied in its entirety.
3. That the parties shall bear their respective costs including attorneys' fees except as forum fees are specifically addressed below.
4. Any and all claims not specifically addressed are denied in their entirety.

FORUM FEES

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

1 prehearing conference = \$300

4 sessions X \$750 = \$3,000 hearing session fees assessed

Forum Fees Assessed Against: Claimant and Respondent equally. Claimant is assessed forum fees in the amount of \$1,650, but is entitled to offset this fee with its hearing session deposit of \$300 so that the amount due from Claimant is \$1,350. Respondent is assessed forum fees in the amount of \$1,650 and is entitled to offset this amount with his hearing session fees of \$750 so that \$900 is due from Respondent.

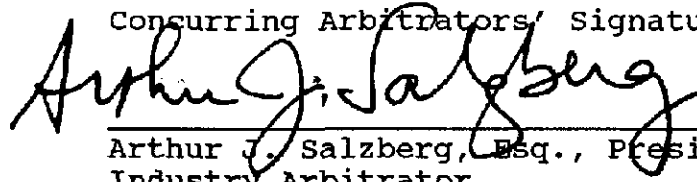
Fees are payable to the National Association of Securities Dealers, Inc.

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5-8-96

Concurring Arbitrators' Signatures



Arthur J. Salzberg, Esq., Presiding
Industry Arbitrator

Michael P. Gwinn
Industry Arbitrator

Pierre J. Dolan
Industry Arbitrator

Date Award Served by the NASD:

May 9, 1996

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Arthur J. Salzberg, Esq., Presiding
Industry Arbitrator

5/9/96

Michael P. Gwinn
Industry Arbitrator

Pierre J. Dolan
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Industry Arbitrator

Michael P. Gwinn
Industry Arbitrator

MAY 8, 1996

Pierre J. Dolan
Pierre J. Dolan
Industry Arbitrator

Date Award Served by the NASD:

May 9, 1996