

NASD REGULATION, INC. FINAL ORDER

In the Matter of the Arbitration Between

Name of Claimant

Mary Terese Campbell

95-01484

Name of Respondents

Cantor Fitzgerald & Co., Inc.
Howard William Lutnick
Harry Needleman

REPRESENTATION

For Claimant Mary Terese Campbell ("Claimant") appeared P.J. Murphy, Esq. of the firm Murphy & O'Connell, located in New York, New York.

For Respondents Cantor Fitzgerald & Co. ("Cantor"), Howard William Lutnick ("Lutnick") and Harry Needleman ("Needleman") appeared Tracy J. Abatemarco, Esq. of the firm Wilson, Elser, Moskowitz, Edleman & Dicker, located in New York, New York.

CASE INFORMATION

Claimant's Statement of Claim was filed on March 25, 1995. Claimant filed an Amended Statement of Claim on February 5, 1996. Claimant filed a Second Amended Statement of Claim on June 26, 1996. Claimant's Submission Agreement was signed on March 24, 1995.

Respondents Cantor, Lutnick and Needleman filed a joint Statement of Answer on May 31, 1995. Respondents Cantor, Lutnick and Needleman filed a joint Statement of Answer to the Amended Statement of Claim on March 14, 1996. Respondents Cantor, Lutnick and Needleman filed a joint Statement of Answer to the Second Amended Statement of Claim on June 27, 1996. Respondent Cantor's Submission Agreement was signed on May 16, 1995. Respondent Lutnick's Submission Agreement was signed on July 10, 1996. Respondent Needleman failed to submit a properly executed Submission Agreement.

HEARING INFORMATION

Hearing Dates/Sessions:	April 1, 1996	Two Sessions
	April 2, 1996	Two Sessions
	July 10, 1996	Two Sessions
	July 11, 1996	Two Sessions
	August 22, 1996	Two Sessions
	August 23, 1996	Two Sessions
	November 4, 1996	One Session

November 5, 1996	Two Sessions
November 25, 1996	Two Sessions
December 12, 1996	Two Sessions
January 6, 1997	One Session
April 7, 1997	Two Sessions
April 8, 1997	Two Sessions
July 1, 1997	Two Sessions
July 2, 1997	Two Sessions
August 28, 1997	Two Sessions

The Hearings were conducted at the offices of NASD Regulation, Inc. and other locations in New York, New York.

CASE SUMMARY

Claimant alleged wrongful and retaliatory discharge based on her marital relationship with another employee of Respondent Cantor who had previously reported alleged trading violations within the firm. Claimant further alleged a defamatory Form U-5 was filed which falsely reported that she was discharged for failure to follow firm procedures. Claimant also alleged Respondents' conduct interfered with her prospective employment within the securities industry.

Respondents maintained that all of Claimant's causes of action should be appropriately dismissed as they are barred by the applicable one year statute of limitations. Respondents further maintained that Claimant's claims are groundless and without merit, and that Claimant was discharged from her employment with Respondent Cantor for cause for her repeated violations of firm rules and policies.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$3,000,000.00, punitive damages in the amount of \$16,000,000.00, costs, attorneys' fees and pre-judgment interest on all claims from the time each such claim arose to the date of judgment herein.

Respondents requested the Statement of Claim be dismissed in its entirety, and that costs and reasonable attorneys' fees be assessed against the Claimant.

AWARD

1. Claimant's motion to amend its Second Amended Complaint is converted to a motion to conform the Claimant's existing pleadings contained in Arbitrator's Exhibit #1 to the proof, and, as so converted, granted, but otherwise denied.
2. After due consideration of the evidence and testimony presented in this arbitration, Respondents' motion to dismiss is granted. As to the claim of wrongful termination and all other claims sounding in wrongful termination, the Panel finds that as a matter of law and fact that the Claimant was an at will employee and as such may be terminated for any or no cause. The Panel further finds that the termination of the Claimant did not fall within any of the exceptions recognized under law for imposing liability upon the employer in the event of the termination of an at will employee. With respect to all other claims, including defamation, the Claimant has failed to sustain her burden of proof.
3. Each party shall bear their respective costs.

FORUM FEES


Pursuant to Rule 10205(c) of the Code of Arbitration Procedure, the arbitrators have determined that the NASD shall retain the \$500.00 non-refundable filing fee previously paid by the Claimant and have assessed the following Forum Fees:

30 Hearing Sessions x \$1,500.00 = \$45,000.00

1. Claimant be and hereby is liable for the sum of \$45,000.00, representing one-hundred percent of the total forum fees assessed. Claimant previously deposited \$1,500.00 with NASD Regulation, Inc. and, therefore, Claimant shall pay the sum of \$43,500.00
2. Respondent Cantor be and hereby is liable and shall pay the sum of \$500.00 for the Member Surcharge. Respondent Cantor has not submitted the sum of \$500.00 and, therefore, owes the Member Surcharge.

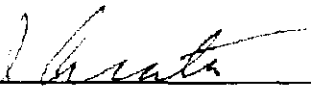
Fees are payable to NASD Regulation, Inc.

ARBITRATORS' SIGNATURES



Joseph J. Arata, Esq.
Public Arbitrator - Chairperson

I, Joseph J. Arata, Esq., do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Joseph J. Arata, Esq.

Jean C. Fox
Public Arbitrator

I, Jean C. Fox, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Jean C. Fox

Thomas A. Turley
Industry Arbitrator

I, Thomas A. Turley, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Thomas A. Turley
Industry Panelist

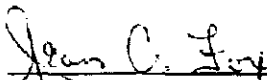
Date of Decision: March 5, 1998

ARBITRATORS' SIGNATURES

Joseph J. Arata, Esq.
Public Arbitrator - Chairperson

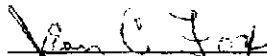
I, Joseph J. Arata, Esq., do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Joseph J. Arata, Esq.



Jean C. Fox
Public Arbitrator

I, Jean C. Fox, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Jean C. Fox

Thomas A. Turley
Industry Arbitrator

I, Thomas A. Turley, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Thomas A. Turley
Industry Panelist

Date of Decision: March 5, 1998

ARBITRATORS' SIGNATURES

Joseph J. Arata, Esq.
Public Arbitrator - Chairperson

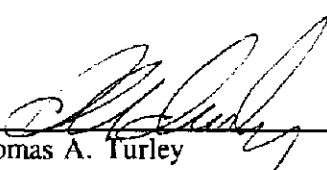
I, Joseph J. Arata, Esq., do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Joseph J. Arata, Esq.

Jean C. Fox
Public Arbitrator

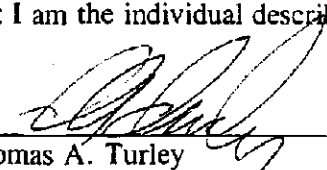
I, Jean C. Fox, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Jean C. Fox



Thomas A. Turley
Industry Arbitrator

I, Thomas A. Turley, do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Thomas A. Turley
Industry Panelist

Date of Decision: March 5, 1998