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**NASD REGULATION, INC., DISPUTE RESOLUTION  
ARBITRATION AWARD**

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In the Matter of the Arbitration Between

**DEAN WITTER REYNOLDS INC.,**

**Claimant,**

**Case No. 96-02329**

**-and-**

**AWARD**

**ALLEN BEALS,**

**Respondent.**

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**REPRESENTATION OF PARTIES**

**For Claimant:** Dean Witter Reynolds Inc. was represented by Diane C. Fischer, Esq. of Gombert Kane & Fischer, Ltd., 208 South LaSalle Street, Suite 1800, Chicago, Illinois 60604.

**For Respondent:** Dr. Allen Beals appeared Pro Se.

**CASE INFORMATION**

**Statement of Claim filed: May 30, 1996**

**Claimant's Submission Agreement signed on: May 21, 1996 by B. Carole Hoffman, Vice President and Senior Attorney, Dean Witter Reynolds Inc.**

**Statement of Answer filed by Beals on: July 8, 1996.**

**Respondent's Submission Agreement signed on:** The panel has not located in the record a submission agreement executed by Allen Beals. However, the panel finds that Dr. Beals is subject to the jurisdiction of the NASD and this panel for purposes of this proceeding by virtue of his status as a registered representative of a member firm, and pursuant to the terms of the Employment Agreement between him and Dean Witter Reynolds, Inc.

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**HEARING INFORMATION**

Pre-Hearing Conference: January 7, 1997.  
Hearing Dates/Sessions: January 14, 1997 ( 2 sessions); and  
January 15, 1997 ( 2 sessions).  
Hearing Location: New York, New York.

**CASE SUMMARY**

Claimant Dean Witter Reynolds Inc. ("Dean Witter"), alleges that Dr. Allen Beals ("Beals"), entered into an Account Executive Trainee Employment Agreement on April 12, 1993 (the "Agreement"). Dean Witter alleges that, if Beals voluntarily left its' employment within three years of the date he signed the Agreement, he was required to reimburse Dean Witter for certain training costs in the amount of \$28,000, reduced by 10% of his total gross commissions. The Statement of Claim alleges that Beals voluntarily terminated his employment with Dean Witter on July 6, 1995, and that he is obligated to pay Dean Witter as damages the sum of \$15,033.20, which is \$28,000 less \$12,966.80 (10% of Beals' total gross commissions). Dean Witter claims that, due to Beals' breach of the Agreement, he is also obligated to pay interest, costs and attorneys' fees.

In his Statement of Answer, Beals denies that he breached his agreement with Dean Witter, and asserts as a defense that Dean Witter breached its' agreement to allow him to use his professional title "M.D." in the course of his activities on behalf of Dean Witter, specifically on printed business cards and stationery. Beals also alleges that Dean Witter breached its' agreement with him by forcing him to contribute to the cost of providing secretarial assistance.

**RELIEF REQUESTED**

Claimant requested the entry of an award against Allen Beals in the amount of \$15,033.20, plus interest at the legal rate of 9% from July 6, 1995 until the date of payment, plus costs and attorneys' fees.

**OTHER ISSUES CONSIDERED AND DECIDED**

None.

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**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: Dean Witter is awarded the sum of \$16,333.20 on its claims against Dr. Beals. The panel has considered the claims submitted by Dean Witter for interest, costs, and attorneys fees, and, except to the extent that they are encompassed by the sum awarded, all such claims are denied.

**FORUM FEES**

The panel directs that the NASD shall retain the filing fees and hearing session deposits made by both parties, and that any additional forum fees be assessed against Dr. Beals.

**Concurring Arbitrators' Signatures**

Name

Date

Mark Quinn

2/3/97

Patricia Cirillo

1/28/97

John Thomas

3/27/97

For NASD Use Only

Date of Decision:

April 9, 1997