

7/12/97

NASD REGULATION. INC. AWARD

In the Matter of the Arbitration Between

Name of Claimant

Philip R. Taylor

96-05487

Name of Respondent

Edward D. Jones & Co.

REPRESENTATION

For Claimant Philip R. Taylor ("Claimant") appeared James R. Levinson, Esq. and Mark Stites, Esq. of the firm Levinson Levinson and Hatch, located in Benson, North Carolina.

For Respondent Edward D. Jones & Co. ("Respondent") appeared Lawrence R. Goldberg, Esq. of the firm Goldberg Katz Sadowski & Croft, P.C., located in St. Louis, Missouri.

CASE INFORMATION

Claimant's Statement of Claim was filed on December 1, 1996.
Claimant's Submission Agreement was signed on December 19, 1996.

Respondent's Statement of Answer was filed on January 31, 1997.
Respondent's Submission Agreement was signed on January 8, 1997.

HEARING INFORMATION

Pre-Hearing Conference	April 7, 1997	One Session
Hearing Dates/Sessions:	September 22, 1997	Two Sessions
	September 23, 1997	Two Sessions
	September 24, 1997	Two Sessions
	September 25, 1997	Two Sessions

The hearings were conducted at the law offices of Newsom, Graham, Hedrick & Kennon, P.A., in Durham, North Carolina.

CASE SUMMARY

9/11/21

Claimant alleged that Respondent engaged in malicious slander and libel subsequent to Claimant's termination from Respondent. Claimant alleged that Respondent made certain statements with the intent to damage and injure Claimant in his trade and profession. Claimant also alleged that statements made by Respondent to Claimant's current and former customers portrayed Claimant in a false light causing Claimant to lose a significant number of customers as well as assets under management and commissions. Claimant maintained that these actions damaged and injured Claimant personally and have caused injury to his reputation. Claimant further maintained that these actions constitute tortious interference with contractual and business relationships. Claimant also asserted that Respondent intentionally used Claimant's name, after terminating him, to service and transact business in insurance accounts in an effort to keep accounts that would have gone elsewhere and maliciously attempted to break a 50-year lease agreement to which Claimant was a party.

Claimant asserted that Respondent discriminated against Claimant due to his religious beliefs and practices. Claimant maintained that Respondent terminated Claimant because he used his office for religious classes after hours without permission.

Claimant alleged that Respondent terminated Claimant in bad faith and in violation of North Carolina public policy. Claimant also alleged that he was discharged so that Respondent could misappropriate his clients for another investment representative. Claimant further alleged that Respondent breached its contract with Claimant by failing to pay obligations owed under the contract. Claimant asserted that he sustained loss of revenue, earned commissions, business and customers as a direct result of Respondent's improper bad faith termination. Claimant also alleged that Respondent breached its contract with Claimant by failing to pay obligations owed under the contract.

Respondent generally denied Claimant's allegations and sought to dismiss Claimant's allegations of defamation, false light publicity, religious discrimination and bad faith termination of employment. Respondent maintained that the defamation claims were barred by the applicable statute of limitations and that Claimant's claims of false light publicity and bad faith termination were not recognized in North Carolina. Respondent further maintained that Claimant's claim of religious discrimination was barred by Claimant's failure to file an EEOC charge.

RELIEF REQUESTED

Claimant requested actual damages of \$1,000,000.00, pre-judgment interest on all amounts found due and owing plus costs and attorneys' fees incurred in this arbitration.

Respondent requested that Claimant's Statement of Claim be dismissed and for such other and further relief as the Arbitrators deem just and proper.

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 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. Respondent be and hereby is liable and shall pay to Claimant the sum of \$50,016.00 in damages for defamation, plus interest at the legal rate from the date of judgment.
2. Each party shall bear their respective costs, including attorneys' fees.
3. All other requests for relief are hereby denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the arbitrators have determined that the NASD Regulation, Inc. shall retain the \$500.00 non-refundable filing fee previously submitted by the Claimant, and have assessed the following forum fees:

1 Pre-Hearing Conference x \$300.00	\$ 300.00
8 Hearing Sessions x \$1,000.00	\$8,000.00
Total Forum Fees	\$8,300.00

1. Claimant be and hereby is liable and shall pay the sum of \$2,766.67, representing one-third of the total forum fees assessed. Claimant previously deposited \$1,000.00 with NASD Regulation, Inc., and therefore, Claimant shall pay the balance of \$1,766.67 to NASD Regulation, Inc.
2. Respondent be and hereby is liable and shall pay the sum of \$5,533.33, representing two-thirds of the total forum fees assessed. Respondent previously deposited \$500.00 with NASD Regulation, Inc., and therefore, Respondent shall pay the balance of \$5,033.00 to NASD Regulation, Inc.
3. Respondent be and hereby is liable and shall pay the sum of \$500.00 for the Member Surcharge. Respondent has submitted the sum of \$500.00, and, therefore, does not owe the Member Surcharge.

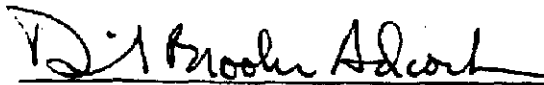
Fees are payable to NASD Regulation, Inc.

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ARBITRATORS' SIGNATURES



David Brooks Adcock, Esq.
Public Arbitrator - Chairperson

Lynne T. Albert, Esq.
Public Arbitrator

Daniel W. Desmond, VP
Industry Arbitrator

Date of Decision: December 12, 1997

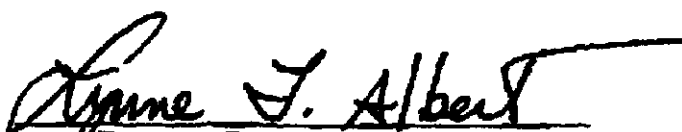
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