

AWARD
NASD Regulation, Inc.

In the matter of the Arbitration Between

Name of Claimant(s)

James F. Maher

Arbitration
No. 98-00413

Name of Respondent(s)

Ridgeway Helms Securities Corp.
Robert A. Dowlett

REPRESENTATION

For Claimant: Daniel S. Cornell, Esq., Cornell Law Group, Palo Alto, California

For Respondents: David M. Greenberg, Esq., Larkspur, California

CASE INFORMATION

Statement of Claim filed on or about: January 30, 1998

Amended Statement of Claim filed on or about: May 28, 1998

Claimant's Submission Agreement signed: January 22, 1998

Answer of Respondents to Statement of Claim filed on or about:
April 8, 1998

Answer of Respondents to Amended Statement of Claim filed on or
about: September 24, 1998

Respondents' Submission Agreements signed: April 8, 1998

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

January 26, 1999 (one session)

February 16, 1999 (one session)

March 29, 1999 (one session)

Hearing Date(s)/Session(s): June 22, 1999 (two sessions)
June 23, 1999 (two sessions)

Hearing Location: San Francisco, California

CASE SUMMARY

Claimant alleged the following claims with respect to his employment with Ridgeway Helms Securities Corp. (Ridgeway): 1) Breach of Contract; 2) Breach of the Implied Covenant of Good Faith and Fair Dealing; 3) Intentional Interference with Prospective Economic Advantage; and 4) Defamation.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant.

RELIEF REQUESTED

Claimant requested relief as follows:

1. For damages for breach of contract according to proof including \$125,000.00 in unpaid guaranteed salary, an amount consisting of the 48% of the value of Ridgeway minus the initial book value of Ridgeway, and an amount equal to Claimant's withheld commissions;

2. For damages according to proof attributable to the lost future earnings resulting from Respondents' defamatory statements, including the filing of false and retaliatory Form U-5's with the NASD;

3. For compensatory damages for losses resulting from humiliation, mental anguish, and emotional distress in an amount according to proof;

4. For punitive damages for Respondents' willful and wanton efforts to harm Claimant by making defamatory statements and reporting false information to the NASD, in an amount according to proof;

5. For an order requiring Respondents to file an amended Form U-4, U-5, or DRP-5, or any other submission as is necessary to correct false statements contained in any said forms previously filed by Respondents or any other party related to this matter;

6. For an order that any false or misleading statements or information currently in the Central Registration Depository (CRD) of the NASD regarding alleged wrongdoing or misconduct by Claimant while employed by Ridgeway be expunged from Claimant's permanent record;

7. For interest on all damages at the prevailing legal rate;

8. For costs of suit incurred by Claimant, including attorneys' fees as provided at Section 8.4 of the Registered Representative Agreement between the parties dated June 18, 1996, as well as the \$1,000.00 filing fee retained by the AAA; and

9. For such other and further relief as the arbitrators may deem proper.

Respondents requested that Claimant take nothing by reason of his claims and that Respondents be awarded their costs and attorneys fees, including those incurred in defending the litigation initiated by Claimant in this matter. Respondents also requested such other and further relief as the arbitrators deem proper.

OTHER ISSUES CONSIDERED AND DECIDED

At hearing, Pam McGovern, a witness for Claimant, requested that the panel order Respondents to file an amended Form U-4, U-5 or DRP-5, or any other submission as is necessary to correct false or misleading statements or information contained in any said forms previously filed by Respondents or any other party related to this matter with respect to Ms. McGovern. As noted below, the panel granted Ms. McGovern's request.

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.

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. Respondents are jointly and severally liable for and shall pay to Claimant, James F. Maher the sum of \$15,000.00 in compensatory damages.

2. Respondents are jointly and severally liable for and shall pay to Claimant, James F. Maher the sum of \$35,000.00 in punitive damages pursuant to California Civil Code Section 3294.

3. Respondents are jointly and severally liable for and shall file an amended Form U-4, U-5 or DRP-5, or any other submission as is necessary to expunge any information regarding alleged wrongdoing or misconduct with respect to Claimant, James F. Maher and Claimant's witness, Pam McGovern while employed by Ridgeway.

4. The panel orders that any information currently in the Central Registration Depository (CRD) of the NASD regarding alleged wrongdoing or misconduct by Claimant, James F. Maher while employed by Ridgeway be expunged from Claimant Maher's permanent record.

5. The panel orders that any information currently in the Central Registration Depository (CRD) of the NASD regarding alleged wrongdoing or misconduct by Pam McGovern while employed by Ridgeway be expunged from Ms. McGovern's permanent record.

6. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Rule 10205(c) of the Code of Arbitration Procedure, the following forum fees are assessed: Forum fees for the pre-hearing sessions held in this matter shall be assessed against Claimant, James F. Maher, in the amount of \$1,800.00, calculated as follows: One pre-hearing session times \$300.00, plus two pre-hearing sessions times \$750.00. Forum fees for the evidentiary hearing sessions shall be assessed against Respondents, Ridgeway Helms Securities Corp. and Robert A. Dowlett, jointly and severally, in the amount of \$3,000.00, calculated as follows: Four hearing sessions times \$750.00.

Fees are payable to NASD Regulation, Inc.

OTHER FEES

Pursuant to Rule 10333 of the Code of Arbitration Procedure, Respondent Ridgeway Helms Securities Corp. has paid to NASD the \$1,500.00 member surcharge and processing fees in the amount of \$3,100.00 previously invoiced.

Pursuant to Rule 10319 of the Code of Arbitration Procedure, Claimant has paid to the NASD the \$750.00 postponement fee assessed in connection with the postponement of the March 10-12, 1999 hearing dates in this matter.

ARBITRATORS

Name	Public / Industry
Beverly Elaine Narayan, Esq.	Public Arbitrator
Laura G. Drenning, Esq.	Public Arbitrator
Allan B. Currie, Esq.	Industry Arbitrator

Concurring Arbitrators' Signatures

Beverly Elaine Marayan, Esq.
Beverly Elaine Marayan, Esq.

Laura G. Drenning, Esq.
Laura G. Drenning, Esq.

Allan B. Currie, Esq.
Allan B. Currie, Esq.

Date of Decision: 8/12/99

Date Served:

AUG 23 1999

Concurring Arbitrators' Signatures

Beverly Elaine Narayan, Esq.

Laura G. Drenning, Esq.

Allan B. Currie, Esq.

Date of Decision: 8-16-99

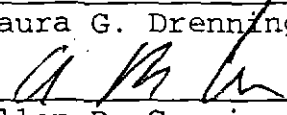
Date Served:

AUG 23 1999

Concurring Arbitrators' Signatures

Beverly Elaine Narayan, Esq.

Laura G. Drenning, Esq.



Allan B. Currie, Esq.

Date of Decision: 8/12/99

Date Served:

AUG 23 1999