

**Award**  
**NASD Regulation, Inc.**

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In the Matter of the Arbitration Between:

William K. Shepard (Claimant) vs. A.G. Edwards & Sons, Inc. and Bruce A. Reed  
(Respondents)

Case Number: 99-01525

Hearing Site: Albuquerque, New Mexico

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**REPRESENTATION OF PARTIES**

Claimant William K. Shepard ("Shepard"): Anthony L. Romo, Esq., Romo & Associates, Albuquerque, New Mexico

Respondent A.G. Edwards & Sons, Inc.: Phyllis A. Hartrich, Esq., Legal Department of A.G. Edwards & Sons, Inc., St. Louis, Missouri

Respondent Bruce A. Reed ("Reed"): Rodney Acker, Esq., Dallas, Texas

**CASE INFORMATION**

Statement of Claim filed on or about: March 31, 1999

Claimant, Shepard, signed the Uniform Submission Agreement: March 23, 1999

Claimant's Response to Bruce Reed's Motion to Dismiss and To Bruce Reed's Motion for More Definite Statement: July 01, 1999

Statement of Answer filed by Respondent A.G. Edwards on or about: July 08, 1999

Respondent A.G. Edwards signed the Uniform Submission Agreement: July 02, 1999

Respondent Reed's Motion to Dismiss, Motion for More Definite Statement and Response to Statement of Claim: June 04, 1999

Respondent Reed's Reply to Claimant's Response to Claimant's Response to Reed's Motion to Dismiss: July 16, 1999

Respondent Respondent Reed signed the Uniform Submission Agreement: October 18, 1999

Agreed Order of Dismissal with Prejudice of Respondent Bruce Reed: March 22, 2000

### **CASE SUMMARY**

Claimant asserted the following causes of action: defamation, wrongful termination, retaliatory discharge, conversion, and vicarious liability with respect to AG Edwards

Unless specifically admitted in its Answer, Respondent AG Edwards denied the allegations made in the Statement of Claim and asserted the following defenses: statute of limitations, at will employee, collateral and/or judicial estoppel.

Unless specifically admitted in its Answer, Respondent Reed denied the allegations made in the Statement of Claim and asserted the following defenses: statute of limitations; actions; including statements made in connection with the filing of the form U-5, are the subject of an absolute and/or qualified privilege; alleged defamatory statements were true and made without malice, at will employee; collateral and/or judicial estoppel.

### **RELIEF REQUESTED**

Claimant Shepard requested:

Compensatory Damages	unspecified
Punitive Damages	unspecified
Interest	unspecified
Other Costs	unspecified

Respondent AG Edwards requested:

Attorney's fees	unspecified
Costs	unspecified
Other	Dismissal of claim

### **OTHER ISSUES CONSIDERED AND DECIDED**

Claimant Shepard and Respondent Reed settled all claims between them and filed an Agreed Order of Dismissal with Prejudice of Respondent Bruce Reed on March 22, 1999.

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.

### **AWARD**

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

1. Any and all claims asserted by William K. Shepard are hereby denied.
2. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$250.00
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#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,200.00
Pre-hearing process fee	= \$ 600.00
<u>Hearing process fee</u>	<u>= \$2,000.00</u>
Total	= \$3,800.00

#### **Adjournment Fees**

Adjournments requested during these proceedings:

May 09-12, 2000 adjournment by Respondent A.G. Edwards= \$ 1,000.00

#### **Forum Fees and Assessments**

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Four (4) Pre-hearing sessions with Panel x \$1,000.00	= \$ 4,000.00
Pre-hearing conferences:	
October 26, 1999	1 session
November 16, 1999	1 session
May 10, 2000	1 session
June 06, 2000	1 session
Ten (10) Hearing sessions x \$1,000.00	= \$11,000.00

Hearing Dates:	February 19, 2001	3 sessions
	February 20, 2001	2 sessions
	February 21, 2001	2 sessions
	February 22, 2001	2 sessions
	February 23, 2001	2 sessions
Total Forum Fees		= \$15,000.00

1. The Panel has assessed \$7,500.00 of the forum fees to William K. Shepard.
2. The Panel has assessed \$7,500.00 of the forum fees to A.G. Edwards.

#### **Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant Shepard requested a copy of pre-hearing recording = \$15.00

#### **Fee Summary**

1. Claimant Shepard be and hereby is solely liable for:

Initial Filing Fee	= \$ 250.00
Administrative Costs	= \$ 15.00
Forum Fees	= \$7,500.00
Total Fees	= \$7,765.00
Less payments	= \$1,500.00
Balance Due NASD Regulation, Inc.	= \$5,265.00

2. Respondent A.G. Edwards be and hereby is solely liable for:

Member Fees	= \$ 3,800.00
Adjournment Fee	= \$ 1,000.00
Forum Fees	= \$ 7,500.00
Total Fees	= \$12,300.00
Less payments	= \$ 4,800.00
Balance Due NASD Regulation, Inc.	= \$ 7,500.00

All balances are due to NASD Regulation, Inc.

#### **ARBITRATION PANEL**

Michael B. Laikin	-	Public/Non-Public, Presiding Chair
James J. Ashe	-	Public/Non-Public Arbitrator
Richard H. Follingstad	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/ Michael B. Laikin

05/10/01

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Michael B. Laikin, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

/s/ James J. Ashe

05/09/01

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James J. Ashe  
Public Arbitrator

\_\_\_\_\_  
Signature Date

/s/ Richard H. Follingstad

05/09/01

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Richard H. Follingstad  
Industry Arbitrator

\_\_\_\_\_  
Signature Date

05/29/01


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Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.  
Case number: 99-01525  
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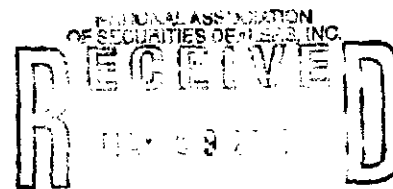
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Michael B. Laikin, Esq.  
Public Arbitrator, Presiding Chair

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James J. Ashe  
Public Arbitrator

  
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Richard H. Follingstad  
Industry Arbitrator

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Signature Date

NASD Dispute Resolution, Inc.  
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Michael B. Laikin, Esq.  
Public Arbitrator, Presiding Chair

5-10-01

Signature Date

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James J. Ashe  
Public Arbitrator

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Signature Date

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Richard H. Follingstad  
Industry Arbitrator

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Signature Date

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Date of Service (For NASD office use only)

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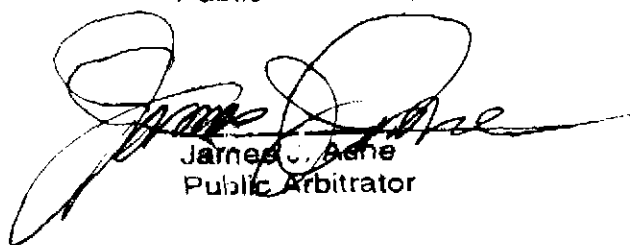
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Public Arbitrator, Presiding Chair

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Signature Date

  
James J. Ashe  
Public Arbitrator

5/9/2001  
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Signature Date

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Richard H. Follingstad  
Industry Arbitrator

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Signature Date

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