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JAMS

[redacted]

Claimant,

vs.

COUNTRYWIDE SECURITIES CORPORATION,

Respondent.

JAMS No. 1425001975

CORRECTED ARBITRATION AWARD

I, THE UNDERSIGNED ARBITRATOR --- in accordance with the parties' agreement to arbitrate --- after having carefully considered the allegations, contentions and proofs of the parties ---- after careful deliberation, and based upon the evidence adduced at evidentiary hearing and thereafter, applicable law and the papers submitted by the parties, and good cause appearing --- make the following findings, conclusions, determinations ("determinations") and this Corrected Arbitration Award* as follows:

* No objection was made to either side's or the Arbitrator's timely proposed JAMS Employment Arbitration Rule 24(j) corrections to the May 12, 2009 Award, except as follows. Upon careful consideration, including during and after telephonic hearing held on May 21, 2009, the Arbitrator has sustained Claimant's timely objection to Respondent's "change in control" re-argument as (A) not within the proper scope of Rule 24(j) and (B) a position which has been previously considered and not accepted by the Arbitrator. Unobjected-to proposed corrections have been incorporated in this Corrected Award, objected-to corrections have not.

DETERMINATIONS

1. The Arbitrator has jurisdiction over the subject matter and the parties in this arbitration.[1]

The Award corrected and superseded by this Corrected Award was timely rendered on May 12, 2009, pursuant to the parties' April 8, 2009 telephonic stipulation, which is set forth in the Arbitrator's May 11, 2009 Order. This Corrected Award is timely rendered under JAMS Employment Arbitration Rule 24(j).

2. Five in-person evidentiary sessions of the Arbitration Hearing were held. All pre-marked and other exhibits offered by both sides were received in evidence. All witnesses testified under oath and were subject to cross-examination. By stipulation, the court reporters' transcripts of the evidentiary sessions of the Arbitration Hearing are the official record of those sessions. The Arbitration Hearing is hereby re-declared closed, nunc pro tunc, as of April 13, 2009, the date of last post-hearing (reply) papers.

3. The following determinations include factual determinations by the Arbitrator, which the Arbitrator has determined to be true and necessary to this Corrected Award. To the extent that the Arbitrator's determinations differ from any party's positions, that is the result of determinations as to credibility, relevance, burden of proof considerations, and the weighing of the evidence, both oral and written.

The parties, by parallel assertion, agreed on only one important matter concerning resolution of this dispute: the chronology or timeline of what occurred on February 7, 2008 is key, as is credibility.

4. Because the preponderant amount of time and energy in the arbitration, pre-hearing (via motions to dismiss and for summary adjudication), centered on Claimant's claim for attempted extortion, that will be dealt with first. Claimant failed

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[1] At the commencement of the Arbitration Hearing, Claimant dismissed all claims against Respondent Lori Shead (formerly Lori Lilly), with prejudice, pursuant to settlement. Ms. Shead's dismissal, which was placed on the record, prior to opening statement and the taking of evidence, was subsequently confirmed in writing. The caption of this arbitration reflects that Ms. Shead no longer is a party herein.

to sustain his burden of proof as to that claim.[2] Based on the evidence, there was no damage caused by the challenged conduct. Whatever damage Claimant sustained, which he attributes to Respondent's threat to prepare and file a "dirty" U-5, unless Claimant agreed to accept a settlement amount less than he was contractually entitled to and to execute a general release in favor of Respondent, was not the result of Respondent's threat but the result of Respondent's termination of his employment and/or the actual filing of the U-5. Accordingly, it is not necessary to determine any other issues --- such as whether Respondent's conduct was outrageous per se.

Claimant also failed to sustain his burden of proof as to his claim for intentional emotional distress --- the gravamen of which the August 12, 2008 Order required to be the same as Claimant's attempted extortion claim.[3] Because Claimant failed to prove that he sustained damage as the proximate result of Respondent's allegedly extortionate conduct, his emotional distress claim has failed for the same reason.

Likewise --- because there has been no actual damage --- there is no basis for punitive damages.

Claimant is not entitled to statutory attorneys' fees and costs. They would be recoverable in this arbitration only under California Labor Code 218. 5, if Respondent did not prove in connection with Claimant's Labor Code 206.5 claim that Respondent had a good faith belief that there was a genuine dispute over whether Respondent was

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[2] Because Claimant failed to prove his attempted extortion claim, it is not necessary to further dwell on whether the Arbitrator has been correct in holding that Claimant's attempted extortion claim states a claim for which relief may be granted under California law --- including for the reasons stated in the Arbitrator's August 12, 2008 Order, which is repeated, adopted and incorporated by reference herein, as though fully set forth at this point.

[3] As stated in the August 12, 2009 Order, the gravamen of Claimant's intentional emotional distress claim had to involve the gravamen of the attempted extortion claim --- i.e., a malicious, oppressive and/or otherwise outrageous threat by Respondent Countrywide to prepare and/or transmit to FINRA an allegedly "dirty" U-5 as to Claimant. Claimant's claims for negligent infliction of emotional distress and prima facie tort were dismissed by Order dated August 12, 2008 ("the August 8, 2008 Order").

obligated to pay Claimant at termination all compensation he claimed he was entitled to under his written contract.[4]

Respondent at all relevant times had such a good faith belief. The Arbitrator has made the determinations in this award with the benefit of five days of conflicting testimony, numerous exhibits presented and reviewed (often on cross-examination) and extensive pre-hearing and post-hearing briefing (including reply briefing by both sides). Only during the Arbitration Hearing was each side (and the Arbitrator) presented with the other side's detailed chronology and February 7, 2008 "timeline" integrating (including adjusting) and summarizing disparate electronic and other data concerning who did or did not do what, when.

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[4] Labor Code section 206.5 in pertinent part provides, as follows:
"No employer shall require the execution of any release of any claim or right on account of wages due, or to become due...unless payment of such wages has been made. Any release required or executed in violation of the provisions of this section shall be null and void as between the employer and employee and the violation of provisions of this section shall be a misdemeanor."
Prior to hearing, the Arbitrator declined to dismiss Claimant's Labor Code claims.
"That is because under On-Line Power, Inc. v. Mazur, 149 Cal.App.4th 1079, 1086 (2007), executives, as well as other employees in various fields, may sue both for breach of contract and under the Labor Code for employers' claimed failures or refusals to pay wages allegedly due upon termination or resignation. Claimant's Labor Code claims include a claim under section 206.5, concerning a terminated employee's giving of a release to his terminating employer. It remains to be determined at a later point --- and not now, because of the difference of applicable rules governing motions to dismiss and summary judgment, for example --- whether there is, as asserted, a genuine dispute whether there is a genuine good faith dispute by Respondent Countrywide of Claimant's compensation entitlement claims. Barnhill v. Robert Saunders & Co., 125 Cal.App.3d 1, 8 (1981) (issue of whether nonpayment of wages was the result of a good faith belief generally presents a question of fact)." August 12, 2008 Order.

That is not to say that the Grant Couch's decision to terminate Claimant's employment by Respondent was hasty or careless in the circumstances.[5]

On February 7, 2008, following the Treasury auction, Mr. Couch personally went to the trading floor and asked Claimant's immediate co-supervisors Mark Schultz and Joseph Cesare and chief risk officer David Fox about the auction and post-auction events and later, with Mr. Schultz, met with Claimant and asked him about what happened. Prior to making his decision terminating Claimant's employment, Mr. Couch consulted with Respondent's CEO Ron Kripalani, Charles Quon of Human Resources (who interviewed witnesses on February 7 and 8, 2008) and Messrs. Fox and Cesare.

When final (reply) papers were submitted on April 13, 2009, Respondent continued to have a good faith belief that there was a genuine dispute with Claimant concerning whether Claimant was insubordinate, as stated in the U-5. That determination is not affected by the Arbitrator's ultimately not accepting Respondent's position, based on careful review and consideration of all of the evidence, applicable law and the parties' papers.

That determination is also not affected by Respondent's disturbing willingness to prepare and file a "clean" U-5 --- which Respondent believed would not be accurate or

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[5] See Cotran v. Rollins Hudig Hall International, Inc., 17 Cal.4th 93, 105-106 (1998) ("Cotran"), in which the California Supreme Court stated in a related connection that facts bearing on an employment termination decision are

> "typically gathered under the exigencies of the workaday world and without benefit of the slow-moving machinery of a contested trial" [and] "implicates organizational judgment and may turn on intractable factual uncertainties....If an employer is required to have in hand a signed confession or eyewitness account of the alleged misconduct before it can act, the workplace will be transformed into an adjudicatory arena and effective decision-making will be thwarted."

Cotran teaches that a judge or arbitrator should give the employer "sensible latitude for managerial decision making" in the circumstances and should avoid too critically

> "reexamine[ing] in all of its factual detail the triggering cause of the decision to dismiss...months or even years later, in a context distant from the imperatives of the workplace." Id.

true and which Respondent knew would be relied on by FINRA, a semi-public enforcement agency, and all prospective employers of Claimant --- if Claimant agreed to take what Respondent insisted upon as settled severance pay, coupled with giving Respondent a general release. The equitable doctrine of "unclean hands" comes to mind. However, the Arbitrator does not believe that Labor Code section 206.5 "good faith belief" can be set aside or disregarded under that doctrine. It more properly appears to be a matter for FINRA to decide --- as a matter of industry and public policy --- whether either side may raise, negotiate and select alternative U-5's as part of employment separation arrangements.

5. For purposes of this arbitration --- based on the parallel agreement of the parties --- contractual "'just cause' means that an employer has not acted 'arbitrarily, capriciously, discriminatorily or made a decision not based on fact.'" Respondent's Post-Hearing Brief, at p. 16.

6. Respondent's shifting defense of what constituted Claimant's insubordination supports the Arbitrator's determinations that (A) Respondent's termination of Claimant's employment was not for insubordination (as stated in the U-5) or for contractual "cause"[6] and, accordingly, that (B) the "U-5" which Respondent prepared and caused to be filed with FINRA (formerly NASD) in connection with Claimant's termination, was not complete, accurate or correct.

This arbitration award will provide a remedy intended to correct and rectify the damage caused by Claimant's U-5.

7. Insubordination means and requires a subordinate's intentional disobedience or reckless disregard a superior's lawful, clear, direct command, instruction or directive ("order"). While compliance with an order implies immediate

[6] Claimant's two-year employment contract with Respondent --- dated June 14, 206 and which expired on June 30, 2008 --- provided for compensation of $2.25 million per year, some of which was deferred in cash. The contract (A) provided that if Claimant was terminated without cause, all unpaid amounts under the contract would accelerate (including those due after 2008 and into 2011) and would become immediately due and payable and (B) defined "cause," to include "....insubordination...or a violation of Countrywide policies pertaining to conduct."

compliance --- insubordination requires deliberate or reckless and undue delay, where time-sensitivity is material, if not crucial. Negligence or even gross negligence is not sufficient to establish employment insubordination.

No insubordination was proved.

8. No policy or operating practice, procedure or rule promulgated by Respondent concerning any trade or set of trades or transactions caused or ordered by Claimant --- directly or through any intermediary --- was violated. Respondent's internal investigation effectively so determined, Mr. Fox, who testified as Respondent's representative at hearing, so testified, and no mention of any such violation is referenced or fairly implied from the U-5.

General verbal statements of senior management made at meetings not shown to have been attended by Claimant and not reduced to writing --- including those made by senior management officials about how Countrywide's business would or should be conducted or guided in light of Bank of America's having agreed to acquire Countrywide (including its securities business) --- does not qualify as anything which could be intentionally disobeyed or recklessly disregarded and constitute insubordination for purposes of this arbitration. Moreover, the evidence is that it was expressly "business as usual" for Countrywide's Treasury trading desk, including for Countrywide in its capacity as a Federal-Reserve-designated "primary dealer," which included a "market-making" function during auctions of US Treasury securities.

9. Claimant had the authority to get into and out of the trading positions in issue in this arbitration --- i.e., in connection with the February 7, 2008 "Dutch auction" $1 billion "market supporting" bid, which he made on behalf of Respondent as a primary dealer designated by the Federal Reserve to bid at US Treasury auctions

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conducted by the Federal Reserve[7] --- without having to first get authority from or consulting with either of his immediate superiors on the trading desk or anyone else in Respondent's employ. Mr. Fox's testimony and Respondent's internal Audit Report support that determination and are not to the contrary.[8]

Moreover, Claimant's trading on February 7, 2008, was within usual and regular bidding practice and, according to Mr. Fox, within corporately acceptable risk, within which Claimant and other Countrywide traders engaged from late summer 2007 to and including February 7, 2008.

As suggested earlier in connection with the Bank of America transaction, risk reduction elsewhere within Countrywide companies or entities or other trading desks was not made applicable to Countrywide's Treasury auction bidding practices, at least not until after Respondent's termination of Claimant's employment. The Federal Reserve did not relax Respondent's primary dealer bidding obligations until Spring 2008 --- which also was after Respondent's termination of Claimant's employment.

10. Based on the record adduced at hearing --- including Mr. Fox's testimony and the U-5 itself --- Claimant could only have been insubordinate if he intentionally disobeyed or recklessly disregarded a time-sensitive verbal command, order, instruction or directive from one of his immediate co-supervisors on Respondent's Treasury trading desk, Mark Schultz and/or Joseph Cesare, to "get it down" or

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[7] Respondent has conceded that primary dealer "traders are required to bid many billions of dollars of securities and loans, only a small fraction of which they intend to buy." In consideration of their market supporting activities, primary dealers were entitled to loans directly from the Federal Reserve, which was very important to Respondent at the time of February 7, 2008 auction.

[8] Respondent's Internal Audit --- which performed an independent investigation for Respondent's senior management (including its president and CEO) --- in pertinent part stated that

> [redacted] was terminated for not hedging his exposure as rapidly as instructed... not for submitting a bid at auction with no prior approval...[which] was allowed under CSC trading practices and policies existing at the time." [Ex. 136]

The Internal Audit Report also concluded that he was not terminated for having caused Respondent to sustain an unacceptably large monetary loss or for allegedly having failed to report his position.

"get out" of --- i.e., substantially reduce the risk of --- his trading position as of the time of the issuance of the order. On February 7, 2008, a "get out" order meant that Claimant was ordered to immediately engage his best efforts to substantially reduce the risk created in his trading account as a result of his obligated purchase of $844 million created by (A) an unintended and unexpected Federal Reserve acceptance of Claimant's $1 billion "market maker" supporting bid for 30-year US Treasury bonds, and (B) an unexpected drop in the secondary market for those "Treasuries" caused by an unexpected and record "tail" that caused Claimant's bid to get "hit."

11. Whether Claimant acted on and in accordance with the "get out" order in a "timely manner," as stated in the U-5, is the factual core of the parties' dispute. Based on the evidence, Claimant's timeline is determined to be the more reliable.

12. The evidence is that there were two "get out" orders, only one of which arguably was not followed "in a timely manner." One "get out" order was given by Mr. Schultz, following an earlier conversation between Claimant and Mr. Schultz following the Treasury auction, during which no instruction was given. The other "get out" order was given by Mr. Cesare. Although the time of his order has not been established, (A) Mr. Schultz testified that his "get it down" or "get out" order preceded Mr. Cesare's and (B) Mr. Cesare testified that, whenever he gave Claimant a "get out" order, Claimant followed it. Accordingly, the only order subject to not having been followed "in a timely manner" is Mr. Schultz's order. Claimant was complying with that order at or by 10:34 a.m., including according to Mr. Fox. Any delay, if any, by Claimant in following an immediate superior's order must have ended by 10:34 a.m.

Mr. Schultz' "get it out" order was given between 10:28 a.m. and 10:33 a.m. Any "delay" by Claimant in following that order, at most, was less than a minute to up to five minutes. Claimant completed carrying out that order between 10:45 a.m. and 10:50 a.m. Any alleged prolongation of the time it took Claimant to carry out Mr. Schultz's "get out" order, once his compliance with the order commenced, was not attributable to Claimant, but to technical, systemic problems.

Based on all of the facts and circumstances adduced at evidentiary hearing, Claimant complied with Mr. Schultz's "get out" order in a timely manner and, in so doing was not in any way insubordinate.

Respondent's termination of Claimant's for insubordination, for not carrying out the directives of his supervisors in a timely manner, was not based on fact and the U-5 which Respondent caused to be filed so stating in Section 3 thereof was not accurate, complete or based on fact.

13. Because Respondent's termination of Claimant's employment on February 8, 2008 was not for cause, within the meaning of his employment contract with Respondent, the termination of his employment was without cause and, accordingly, all sums and amounts due under the contract were accelerated and due and owing as of that date.

The amounts due and unpaid under Claimant's employment contract totaled $1,890,000, computed as follows: (A) $687,850 as and for the last 2 of 8 guaranteed cash payments, (B) $1,125,0000 as and for the remaining 5 of 6 guaranteed deferred cash compensation payments and (C) $77,250, as and for 141 days of salary from February 8, 2008 to June 28, 2008.

Claimant is additionally entitled to $259,750, as and for pre-award interest on the foregoing $1,890,000, at the legal rate of ten percent (10%) per annum from February 8, 2008 to and including the issuance date of the May 12, 2009 Award.

14. As stated in the Arbitrator's Order of August 12, 2008, Claimant's claim for wrongful discharge states a claim for which relief may be granted under California law. If a California state or federal court is called upon to make that determination, it most likely would so decide and would adopt the better and prevailing view nationally (via federal Circuit Court opinions) that --- even assuming a strong state public policy favoring "at will" employment --- a claim for wrongful discharge, based upon a claim of termination without "just cause" exists under applicable state law, if there is a valid and enforceable contractual provision to arbitrate the circumstances of employment and termination. PaineWebber v. Argon, 49 F.3d347, 352 (8th Cir. 1995)

("PaineWebber"); Shearson Hayden Stone, Inc. v. Liang, 653 F.2d 310, 312-313 (7th Cir. 1981), cited with approval in Paine Webber. A principal basis for that determination is a maxim of contractual construction, reflected in the following statement in PaineWebber: "If Agron's employment was purely at-will, the arbitration procedure designed to interpret that employment relationship would serve no identifiable purpose." 49 F.3d at p. 352. "This [arbitration] process necessarily alters the employment relationship from at-will to something else --- some standard of discernable cause is inherently required in this context where an arbitration panel is called on to interpret the employment relationship." Id.

15. As indicated earlier --- under the definition of "just cause" tendered by Respondent and accepted by Claimant --- notwithstanding the tremendous monetary loss sustained by Respondent as a result of the unexpected acceptance of Claimant's $1 billion "market-maker" support bid, coupled with the record "tail" which occurred on February 7, 2008 --- nothing which Claimant did on that date in connection with the Treasury auction held on that date or his "get[ting] out" of that trade, as ordered, constituted "just cause." Respondent's termination of his employment was wrongful under California law.

16. As a matter of realism and practicality, based on the evidence, it is more probable than not that (A) Claimant's employment by Respondent would have not continued beyond the September 9, 2008 last date of employment of other similarly situated Countrywide employees, due to the Bank of America merger, and that (B) Claimant would not have been more successful than his Countrywide colleagues in obtaining employment, had he not received a "dirty U-5" --- which none of them received --- yet all or virtually all of them have remained continuously unemployed since being discharged on or as of September 9, 2008.

Accordingly, Claimant's damages for wrongful discharge are limited to what he would and should have received, had he been an employee of Respondent on

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the "change in control" date of July 1, 2008.[9] That would have been one year's compensation of salary and bonus ($2,250,000), plus $28,700, as and for the cost of his health insurance for one year, running from the September 9, 2008 date of termination of other Countrywide Treasury traders --- or an aggregate total of $2,278,700. Claimant is entitled to an additional $151,900, as and for pre-award interest on that aggregate amount, at the legal rate of ten percent (10%) per annum from September 9, 2008 to and including the issuance date of the May 12, 2009 Award.

To award Claimant a requested additional $9,364,463, as and for wrongful termination damages --- based on what he would earn, once his U-5 is corrected or, more aptly, what he would have earned had he received the same U-5 as his former Treasury trader colleagues received --- would be an inappropriate and inequitable "windfall."

17. Based on the record adduced at hearing --- to the extent, if any, that Respondent has not consented to or waived any objection to the Arbitrator determining Claimant's "change in control" claim[10] --- the Arbitrator determines that Claimant's exhaustion of administrative remedies under ERISA would have been futile. Accordingly, the Arbitrator waives any ERISA exhaustion obligation and excuses Claimant from any such obligation.

18. It is both equitable and appropriate, in the circumstances --- including to put Claimant on the same competitive "footing" as his former Countrywide colleagues,

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[9] Although Claimant's written contract expired by its terms on June 30, 2008, the Arbitrator determines that neither his employment nor "change in control" protection would have ended on that date and that his right to guaranteed compensation would have continued for at least one more day (i.e., July 1) thus entitling him to guaranteed compensation due all other similarly situated Countrywide Treasury traders attributable to the "change in control" caused by the Bank of America merger.

[10] In its March 30, 2009 denial of Claimant's second appeal for his Change in Control severance benefit payment, the Bank of America Benefits Appeals Committee, having been "designated to respond to claims and appeals under [Respondent's] CIC Plan," notified Claimant that "You have fully exhausted the Plan's claim procedures" and that stated "The appropriate venue for such [CIC] claims is the Arbitration Tribunal with which you have filed... [including for]...alleged claims for wrongful discharge."

but for Respondent having filed an inaccurate and incomplete U-5 --- as well as within the Arbitrator's authority[11] --- this Corrected Arbitration Award should and will include a provision that it be adjudged and decreed that (A) the existing "dirty" U-5 be expunged and that (B) Respondent shall cause a corrected, corrective and superseding "clean" U-5 to be immediately filed with FINRA which (i) shall not refer to any matter or thing relating to this arbitration, except that (ii) in Section 3 thereof, the U-5 shall state only "termination not for cause" and (iii) there will be no "yes" answers adverse to Claimant.

19. Because Claimant is not entitled to statutory attorneys' fees, this corrected award will be the final award, rather than an interim award, pursuant to the parties' stipulation spread on the record during the February 6, 2009 evidentiary session. Hrg. Tr., Vol. V, at pp. 1323-1324.

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[11] The Arbitrator has the authority under FINRA Rule 2130 to direct that the existing "dirty" U-5 be expunged and that it be superseded by a "clean" one "provided that the [Arbitrator] states that the expungement relief is being granted because of the defamatory nature of the information" in the "dirty" U-5.

The Arbitrator's September 10, 2008 Order in pertinent part stated that "while actual defamation is not a surviving claim, per se, constituent elements might still be evidentiary at hearing as to remaining claims and remedies."

Based on the uncontradicted expert witness testimony of Daniel Reisfeld during the Arbitration Hearing, including subject to cross-examination, the Arbitrator determines and states as follows. Reference to "insubordination" in a former securities trader's U-5 renders the trader unemployable forever in the eyes of potential employers of traders and, thus, in the eyes of specialists who place traders with prospective employers of traders in the securities industry. That is because insubordination is regarded as almost as serious a problem as a prior securities violation of a candidate trader and that, based on the evidence adduced in the Arbitration Hearing, Claimant [redacted] existing U-5's reference to "insubordination" and related language in Section 3 (reason for termination) of the U-5 and "yes" answers elsewhere on the document, is information which is defamatory in nature as to Claimant. Accordingly, the U-5 expungement relief requested by Claimant is being granted because of the defamatory nature of that information.

CORRECTED ARBITRATION AWARD

Based upon the evidence adduced at hearing, applicable law, the papers and authorities submitted by the parties, and the Arbitrator's determinations hereinabove set forth, and good cause appearing, the Arbitrator hereby makes the following Corrected Arbitration Award. It is hereby adjudged and decreed as follows:

1. Because of the defamatory nature of the information U-5 presently on file with FINRA, it is hereby adjudged, decreed and ordered that (A) the currently-filed U-5 be expunged and that (B) Respondent shall cause a corrected, corrective and superseding "clean" U-5 to be immediately filed with FINRA which (i) shall not refer to any matter or thing relating to this arbitration, except that (ii) in Section 3 thereof, the U-5 shall state only "termination not for cause" and (iii) there will be no "yes" answers adverse to Claimant.

2. Respondent Countrywide Securities Corporation shall pay Claimant [redacted] the aggregate total amount of Four Million Five Hundred Eighty Thousand Three Hundred Fifty Dollars and No Cents ($4,580,350.00), computed as follows:

A. Respondent Countrywide Securities Corporation shall pay Claimant [redacted] the amount of One Million Eight Hundred Ninety Thousand Dollars and No Cents ($1,890,000.00) as and for accelerated, accrued and unpaid compensation due and owing, as of February 8, 2008 under Claimant's employment contract with Respondent, dated June 14, 2006.

B. Respondent Countrywide Securities Corporation shall pay Claiman[redacted] the amount of Two Hundred Fifty-Nine Thousand Seven Hundred Fifty Dollars and No Cents ($259,750.00), as and for pre-award interest due on the amount set forth in Paragraph 2A, above, at the legal rate of ten percent (10%) per annum from February 8, 2008 to and including the date of the May 12, 2009 Award.

C. Respondent Countrywide Securities Corporation shall pay Claimant [redacted] the amount of Two Million Two Hundred Fifty Thousand Hundred Dollars and No Cents ($2,250,000.00), as and for the "Change in Control" severance benefit payment, which was due to be paid to Claimant as of September 9, 2008, plus Twenty-Eight Thousand Seven Hundred Dollars and No Cents ($28,700.00), as and for the cost of Claimant's health insurance for one year, running from the September 9, 2008.

D. Respondent Countrywide Securities Corporation shall pay Claimant [redacted] the amount of One Hundred Fifty One Thousand Nine Hundred Dollars and No Cents ($151,900.00), as and for pre-award interest due on the amount set forth in Paragraph 2C, above, at the legal rate of ten percent (10%) per annum from September 9, 2008 to and including the date of this Corrected Award.

This Corrected Arbitration Award corrects and supersedes the Arbitration Award rendered and issued on May 12, 2009 and is effective nunc pro tunc as of May 12, 2009.[12]

To the extent that this Corrected Arbitration Award is inconsistent with the May 12, 2009 Arbitration Award, this Corrected Arbitration Award shall govern and prevail in each such instances.

This Corrected Arbitration Award is in full settlement of all claims, issues, allegations and contentions, on the merits, submitted by any party against any adverse

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[12] The May 12, 2009 Award inadvertently omitted in Par. 2 of that award (aggregate monetary amount awarded to Claimant) and subparagraphs 2(C) and 2(D) thereof (components of aggregate amount awarded to Claimant), $28,700.00 unpaid health insurance, plus $1,900.00 pre-award interest thereon, which Par. 16 of the Determinations referenced for inclusion in the award portion of that award.

party to this arbitration in connection with this arbitration. All claims and requests for relief not expressly granted in this Corrected Arbitration Award are, hereby, denied.

Dated: May 26, 2009

STEPHEN E. HABERFELD
Arbitrator