For the plaintiff: Karl Gerber For the defendant: Steven P. Scandura Aileen Wei-Lin Tang ADR Arbitrator Michael Marcus

RESULT DATE: March 7, 2012

Larry Larson v. VXI Global Solutions Inc., Marcus Gresham (ADRS 10-6906) 12-JV_690

FURTHER DESCRIPTION: Wrongful Termination, Sexual Harassment

ARBITRATION: \$206,152

ATTORNEY Plaintiff - Karl Gerber (Employment Lawyers Group, Sherman Oaks).

Defendant - Steven P. Scandura (Law Offices of Steven P. Scandura, Manhattan Beach); Aileen Wei-Lin

Tang (VXI Global Solutions Inc., Los Angeles) in-house counsel for VXI Global Solutions Inc..

MEDICAL

Defendant - Fran Kulik, psychology, Santa Monica.

FACTS: The claim includes harassment by a male in his early 20s to a male also in his early 20s, both who worked for defendant VXI Global Solutions Inc., a business process and information technology outsourcer.

The sexual harassment included dancing in a Peter Pan costume and defendant Marcus Gresham lifting his costume up, making remarks about plaintiff Larry Larson's penis, insulting plaintiff in front of others, calling plaintiff "cutey" and "faggot," saying "Oh, you're looking at women, stop pretending you like women," falsely accusing plaintiff of being on a Maxim website, and saying where is my little boyfriend today. Plaintiff alleges he is straight.

Plaintiff received approximately 23 disciplines, and 12 were issued prior to his first complaint. He was also suspended approximately two weeks before he was fired, which the arbitrator found to be retaliatory. Plaintiff admitted that other employees were suspended at the same time.

Plaintiff claimed failure to remediate, wrongful termination in violation of California Government Code Section 12940(h) due to two complaints of sexual harassment, and claims the termination was due to low sales.

SETTLEMENT DISCUSSIONS: At mediation with Peter Marx from ADR Services, Inc., plaintiff offered to settle for \$175,000 (defendant VXI claims this is lower than the actual amount offered). Defendant made a CCP 998 offer of \$25,174 before arbitration.

RESULT: After a four day arbitration, the arbitrator found for the plaintiff on sexual harassment, failure to remediate, wrongful termination, and intentional infliction of emotional distress, but did not find VXI liable for sexual harassment.

The arbitrator awarded plaintiff \$206,152. This amount included \$35,000 for emotional distress, \$46,000 for two years of lost wages, \$118,976 for statutory revised attorney fees, and \$6,175.

\$1,000 of the award is payable by the individual defendant.