UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
SUBREGION 34

BRIDGEWATER ASSOCIATES, LP and (b) (6), (b) (7)(C) AN INDIVIDUAL	**Case No. 01-CA-169426**

BRIDGEWATER ASSOCIATES, LP'S ANSWER AND DEFENSES TO COMPLAINT AND NOTICE OF HEARING

Respondent Bridgewater Associates, LP ("Bridgewater"), by and through its undersigned counsel and in Answer to the Complaint and Notice of Hearing ("Complaint") issued by the Regional Director of Region 1 – Sub-Region 34, states as follows:

To the extent that an answer is required to the unnumbered paragraph at the outset of the Complaint, Bridgewater admits that the General Counsel has issued the instant Complaint based on charges filed by (b) (6), (b) (7)(C) ("(b) (6), (b) (7)(C) Bridgewater expressly denies that it has engaged in unfair labor practices in violation of the National Labor Relations Act, 29 U.S.C. § 151, *et seq.* (the "Act"), denies any remaining allegations or legal conclusions contained in the introductory paragraph, and requests that the Complaint and Notice of Hearing be dismissed.

1. Bridgewater admits the allegations contained in Paragraph 1(a) of the Complaint, except is without knowledge or information sufficient to form a belief as to the truth of when the charge was filed. Bridgewater admits the allegations contained in Paragraph 1(b) of the Complaint, except is without knowledge or information sufficient to form a belief as to the truth of when the amended charge was filed.

2. Bridgewater admits the allegations contained in Paragraph 2 of the Complaint except denies that Bridgewater is a corporation and states that it is a limited partnership.

3. Bridgewater admits the allegations contained in Paragraph 3 of the Complaint.

4. Bridgewater admits the allegations contained in Paragraph 4 of the Complaint.

5. Bridgewater admits that, at all times relevant to the allegations in the Complaint, (b) (6), (b) (7)(C) [redacted] held the positions set forth opposite their respective names in Paragraph 5 of the Complaint, and each of them was a supervisor within the meaning of Section 2(11) of the National Labor Relations Act, but denies the remainder of the allegations contained in Paragraph 5 of the Complaint.

6. Bridgewater admits that Paragraph 6(a), 6(b), 6(c), 6(d), and 6(e) of the Complaint purport to reference or quote isolated provisions of an employment agreement that (b) (6), (b) (7)([redacted] signed. Bridgewater denies the remaining allegations in Paragraph 6 of the Complaint and denies that the provisions of (b) (6), (b) (7)(C) [redacted] executive employment agreement constitute "rules" that Bridgewater "maintained."

7. Bridgewater denies the allegations contained in Paragraph 7 of the Complaint, except admits that it placed (b) (6), (b) (7)(C) [redacted] on a fully-paid leave of absence on or about (b) (6), (b) (7)(C) [redacted].

8. Bridgewater denies the allegations contained in Paragraph 8 of the Complaint.

9. Bridgewater denies the allegations contained in Paragraph 9 of the Complaint.

10. Bridgewater denies the allegations contained in Paragraph 10 of the Complaint.

11. Bridgewater denies the allegations contained in Paragraph 11 of the Complaint.

Bridgewater denies that any of the relief or special remedies listed on Page 3 of the Complaint or any other relief or remedies are warranted.

Any allegations in the Complaint that are not specifically and expressly admitted in this Answer are denied.

DEFENSES

FIRST DEFENSE

The Complaint fails to state a claim for which relief can be granted.

SECOND DEFENSE

The National Labor Relations Board ("NLRB") lacks jurisdiction to grant relief because (b) (6), (b) (7)(is a supervisor within the meaning of Section 2(11) of the Act.

THIRD DEFENSE

The provisions of Bridgewater's employment agreement wit (b) (6), (b) (7)(C) referred to in Paragraph 6 of the Complaint are lawful under the Act and applicable NLRB precedent. *See, e.g., Lutheran Heritage Village-Livonia*, 343 NLRB 646, 646-47 (2004); *Lafayette Park Hotel*, 326 NLRB 824, 825 (1998), *enf'd* 203 F.3d 52 (D.C. Cir. 1999).

FOURTH DEFENSE

Bridgewater's employment agreement with (b) (6), (b) (7)(C) was not adopted to prohibit, and has not been applied to prohibit, the exercise of any Section 7 rights, and employees in the financial services industry, including (b) (6), (b) (7)(C), would not reasonably construe the provisions of Bridgewater's employment agreement as prohibiting the exercise of Section 7 rights.

FIFTH DEFENSE

Bridgewater's employment agreement with (b) (6), (b) (7)(C) is based on legitimate business reasons and, read properly in context, all of the provisions in (b) (6), (b) (7)(C) employment agreement are tailored specifically to protecting Bridgewater's legitimate business concerns, including confidentiality interests that are unique to the financial services industry, and none of the provisions in the employment agreement prohibits the exercise of Section 7 rights.

SIXTH DEFENSE

The confidentiality provisions in Bridgewater's employment agreement with (b) (6), (b) (7)(C), read in context, do not violate the Act, as protecting confidential and proprietary information is fundamental to providing client services in the financial services industry and is, in some instances, required by law or regulation.

SEVENTH DEFENSE

The non-disparagement provision in Bridgewater's employment agreement, read in context, does not violate the Act, as it lawfully prohibits disparagement of Bridgewater's clients, products and services.

EIGHTH DEFENSE

The arbitration provision in Bridgewater's employment agreement with (b) (6), (b) (7)(C) does not violate the Act, and the Complaint's challenge to the arbitration provision is contrary to law, including the Federal Arbitration Act and the National Labor Relations Act. *See, e.g., Murphy Oil USA, Inc. v. NLRB*, 808 F.3d 1013 (5th Cir. 2015); *D.R. Horton v. NLRB*, 737 F.3d 344 (5th Cir. 2013); *Walthour v. Chipio Windshield Repair, LLC*, 745 F.3d 1326 (11th Cir. 2014); *Richards v. Ernst & Young, LLP*, 744 F.3d 1072 (9th Cir. 2013); *Sutherland v. Ernst & Young LLP*, 726 F.3d 290 (2d Cir. 2013); *Owen v. Bristol Care, Inc.*, 702 F.3d 1050 (8th Cir. 2013).

NINTH DEFENSE

(b) (6), (b) (7)(voluntarily entered into employment agreement, including the arbitration provision, in return for a high six-figure salary plus bonus entitlement.

TENTH DEFENSE

Bridgewater at all times acted in good faith and did not interfere with, restrain, or coerce (b) (6), (b) (7)(in the exercise of the rights guaranteed in Section 7 of the Act in violation of Section 8(a)(1) of the Act.

ELEVENTH DEFENSE

The Complaint fails to state a claim for discrimination or retaliation because there was no "adverse action" against (b) (6), (b) (7)(C) and no causal connection between (b) (6), (b) (7)(C) lawyer's threat to file an unfair labor practice charge and (b) (6), (b) (7)(C) placement on paid leave for legitimate business reasons.

TWELFTH DEFENSE

Even if the General Counsel could establish a prima case of discrimination or retaliation, Bridgewater had legitimate reasons for putting (b) (6), (b) (7)(C) on paid leave and would have made the same decision regardless of any protected activities under the Act.

THIRTEENTH DEFENSE

The "Special Remedies" section of the Complaint seeks relief, including consequential damages, that exceeds the scope of the National Labor Relations Board's authority under the Act.

FOURTEENTH DEFENSE

The Complaint seeks relief that is speculative.

FIFTEENTH DEFENSE

The "Special Remedies" section of the Complaint seeks relief that does not further the remedial purposes of the Act, including damages for a very highly-paid employee who continues to receive a six-figure salary plus bonus entitlement while on paid leave.

SIXTEENTH DEFENSE

(b) (6), (b) (7)(C) has failed to mitigate (b) (6), (b) damages, if any.

SEVENTEENTH DEFENSE

To the extent that any of the allegations set forth in the Complaint are based upon acts or occurrences that were not within the scope of a timely unfair labor practice charge, these allegations are barred by Section 10(b) of the Act.

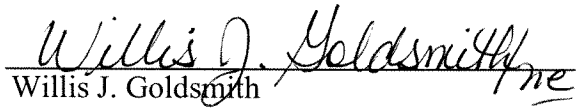
EIGHTEENTH DEFENSE

The facts that will be adduced at the hearing establish that, at all material times, Bridgewater complied with all of its obligations under the Act.

WHEREFORE, Bridgewater, having fully answered the Complaint and Notice of Hearing, respectfully requests that the General Counsel's Complaint be dismissed in its entirety.

Dated: July 13, 2016

Respectfully submitted,



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CERTIFICATE OF SERVICE

The undersigned, an attorney admitted to practice before the Courts of the State of New York, affirms under penalty of perjury that on July 13, 2016, she caused a true and correct copy of Bridgewater Associates, LP's Answer and Defenses to Complaint and Notice of Hearing to be served upon counsel for the parties by first-class mail in a postage-prepaid, properly addressed envelope at the following addresses designated for this purpose:

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