

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Martin D. Conway

and

00-04925
Minneapolis, Minnesota

Name of Respondents

J.E. Liss & Company, Inc.
Jerome E. Liss

REPRESENTATION OF PARTIES

Martin D. Conway ("**Claimant**") was represented by Jan Stuurmans, Esq., Minneapolis, Minnesota.

J.E. Liss & Company, Inc. ("**Respondent J.E. Liss**") and Jerome E. Liss ("**Respondent Liss**") (collectively as "**Respondents**") were represented by Michael H. Schaalman, Esq., Quarles & Brady LLP, Milwaukee, Wisconsin.

CASE INFORMATION

The Statement of Claim was filed on or about November 6, 2000. Submission Agreement of Claimant Martin D. Conway was signed on October 16, 2000.

Statement of Answer and Counterclaim was filed by Respondents J.E. Liss & Company, Inc. and Jerome E. Liss on or about January 4, 2001. Submission Agreement of Respondent J.E. Liss & Company, Inc. was signed on January 30, 2001 by Jerome E. Liss. Submission Agreement of Respondent Jerome E. Liss was signed on January 30, 2001.

CASE SUMMARY

Claimant alleged that Respondents breached the Employment Agreement between them, engaged in age discrimination in violation of Minnesota Statutes §363.03, subd. 1(2)(b) and (c), and made material misrepresentations to induce him to enter into the Employment Agreement at issue in this matter. Specifically, Claimant alleged that Respondents substantially changed his duties of his employment and compensation.

Respondents denied the allegations set forth in the Statement of Claim. Respondents specifically stated that Claimant was not terminated, nor did a "younger" employee replace him. Respondents stated that the decision to close the Cross Lake office was economic, since the office was too costly to keep open. It was further stated that Claimant chose to remain in Cross Lake after the office was closed and the order entry equipment had been moved to Milwaukee. Respondents further stated that the decision to close the Cross Lake office was based on financial reasons.

RELIEF REQUESTED

Claimant requested an award in the amount of \$2,380,000.00, interest according to law, plus his costs and attorneys' fees.

Respondents requested that the claims asserted against them be denied in their entirety. In the Counterclaim, Respondent J.E. Liss requests that it be awarded the unpaid balance of the outstanding loans (\$39,000.00) with interest. At the hearing, Respondent J.E. Liss amended its Counterclaim to seek \$34,000 plus interest.

OTHER ISSUES CONSIDERED & DECIDED

At the hearing, Claimant dismissed Count II (Age Discrimination) of the Statement of Claim.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution, Inc. (the "NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing and the post-hearing submissions, if any, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent J.E. Liss & Company, Inc. shall be and hereby is liable for and shall pay to Claimant Martin D. Conway the sum of \$312,000.00 (**Three Hundred Twelve Thousand Dollars**) as compensatory damages.
2. Counterclaim Respondent Martin D. Conway shall be and hereby is liable for and shall pay to Counterclaim Claimant J.E. Liss & Company, Inc. the sum of \$46,000.00 (**Forty Six Thousand Dollars**) as compensatory damages.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.

4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 500.00
Counter claim filing fee	= \$1,000.00

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 event(s) giving rise to the dispute. In this matter, the member firm is J.E. Liss & Company, Inc.

Member surcharge	= \$2,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$4,500.00

Forum Fees and Assessments

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

One (1) Pre-hearing session(s) with Panel x \$1,200.00	= \$1,200.00
Pre-hearing conference(s): May 9, 2001	1 session
Five (5) Hearing sessions x \$1,200.00	= \$6,000.00
Hearing Date(s): October 9, 2001	2 sessions
October 10, 2001	2 sessions
October 12, 2001	1 session
Total Forum Fees	= \$7,200.00

The Arbitration Panel has assessed \$3,600.00 of the forum fees to Martin D. Conway.

The Arbitration Panel has assessed \$3,600.00 of the forum fees jointly and severally to J.E. Liss & Company, Inc. and Jerome E. Liss.

Fee Summary

Claimant, Martin D. Conway, shall be and hereby is liable for:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	= \$3,600.00
Total Fees	= \$4,100.00
<u>Less payments</u>	= \$1,700.00
Balance Due NASD Dispute Resolution, Inc.	= \$2,400.00

Respondent, J.E. Liss & Company, Inc., shall be and hereby is liable for:

Counterclaim Filing Fee	= \$1,000.00
Member Fees	= \$7,600.00
<u>Forum Fees</u>	= \$ 0.00
Total Fees	= \$8,600.00
<u>Less payments</u>	= \$2,091.00
Balance Due NASD Dispute Resolution, Inc.	= \$6,509.00

Respondents, J.E. Liss & Company, Inc. and Jerome E. Liss, shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$3,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$3,600.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Jeffrey D. Hedlund, Esq. - Non-Public Arbitrator, Presiding Chair
Michael L. Weiner, JD - Non-Public Arbitrator
Wendy J. Wildung, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Jeffrey D. Hedlund
Jeffrey D. Hedlund, Esq.
Non-Public Arbitrator, Presiding Chair

November 1, 2001
Signature Date

/s/ Michael L. Weiner
Michael L. Weiner, JD
Non-Public Arbitrator

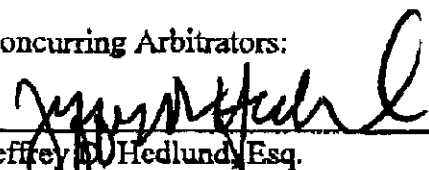
November 2, 2001
Signature Date

/s/ Wendy J. Wildung
Wendy J. Wildung, Esq.
Non-Public Arbitrator

November 1, 2001
Signature Date

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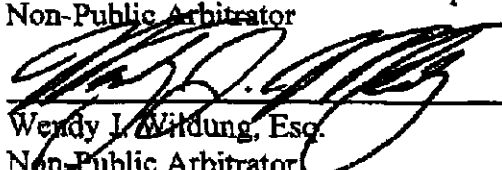
Concurring Arbitrators:



Jeffrey D. Hedlund, Esq.
Non-Public Arbitrator, Presiding Chair

11-1-01
Signature Date

Michael L. Weiner, JD
Non-Public Arbitrator



Wendy L. Wildung, Esq.
Non-Public Arbitrator

Signature Date

11/01/01
Signature Date

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Concurring Arbitrators:

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Non-Public Arbitrator, Presiding Chair

Michael L. Weiner

Michael L. Weiner, JD
Non-Public Arbitrator

Wendy J. Wildung, Esq.
Non-Public Arbitrator

Signature Date

11-2-01

Signature Date

Signature Date