

AWARD
NASD Dispute Resolution

the Matter of the Arbitration Between

Claimant/Counter-Respondent

Oppenheimer & Co., Inc.

and

Case Number: 05-01137
Hearing Site: Troy, Michigan

Respondent/Counter-Claimant

Mark Casebolt

NATURE OF DISPUTE

Member v. Associated Person
Associated Person v. Member

REPRESENTATION OF PARTIES

Oppenheimer & Co., Inc. ("Claimant" or "Oppenheimer") was represented by Gary K. August, Esq., Zausmer, Kaufman August & Caldwell, PC, Farmington Hills, Michigan.

Mark Casebolt ("Respondent" or "Casebolt") was represented by John A. Hubbard, Esq., Beals Hubbard PLC, Farmington Hills, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about March 4, 2005. The Submission Agreement of Oppenheimer was signed on or about March 3, 2005, by Eric J. Shames, General Counsel.

The Response to Statement of Claim for Contribution, Answers to Specific Paragraphs, Affirmative Defenses and Counterclaim was filed by Respondent on or about April 27, 2005. The Submission Agreement of Respondent was signed on or about April 25, 2005.

Oppenheimer filed a Response to Counterclaim and Affirmative Defenses on or about September 6, 2005.

Casebolt filed a Motion to Dismiss on or about October 21, 2005. Oppenheimer filed a Response to Casebolt's Motion on or about November 21, 2005. Casebolt filed a Reply Brief in Support of Motion to Dismiss on or about November 28, 2005.

CASE SUMMARY

Claimant asserted a claim for contribution. Claimant sought to recover funds that it paid as result of an award rendered jointly and severally against it and its former employee, Mark Casebolt, in an underlying arbitration as well as contribution from Casebolt on an additional matter.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim fails to state a claim upon which relief can be granted; the Statement of Claim is barred by reason of the doctrines of waiver, estoppel, laches and/or release; and the Statement of Claim is barred by the applicable statute of limitations.

Respondent asserted a Counterclaim for illegal deductions from his monthly paycheck by Oppenheimer.

Claimant denied the allegations made in the Counterclaim and asserted affirmative defenses including the following: the Counterclaim is barred, in whole or in part, by Casebolt's failure to mitigate damages; the Counterclaim is barred, in whole or in part, by the applicable statute of limitations; and the Counterclaim is barred, in whole or in part, by Casebolt's failure to state a claim upon which relief can be granted.

RELIEF REQUESTED

Claimant requested an award of \$154,195.00, plus interest and costs.

Respondents requested that the claims asserted against him be denied in their entirety and that he be awarded \$80,448.52 in damages, plus costs, interest and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

In its order entered on or about November 28, 2005, the panel denied Casebolt's Motion to Dismiss without prejudice.

At the close of Claimant's case-in-chief, Respondent moved for a directed verdict. The panel granted the motion in part and denied the motion in part.

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 NASD Dispute Resolution ("NASD").

AWARD

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

- 1.) Mark Casebolt, is liable for and shall pay to Claimant, Oppenheimer & Co., Inc., the sum of \$86,000.00 in damages;
- 2.) Oppenheimer & Co., Inc., is liable for and shall pay to Counter-Claimant, Mark Casebolt, the sum of \$59,000.00 in damages;
- 3.) After set-off, Mark Casebolt is liable for and shall pay to Oppenheimer & Co., Inc. the sum of \$27,000.00 in damages;
- 4.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 5.) Any relief not specifically enumerated, including attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

IASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 1,000.00
Counterclaim Filing Fee	= \$ 225.00

Member Fees

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

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Adjournment Fees

Adjournments requested during these proceedings:

November 15-18, 2005, adjournment requested jointly (fee waived)	= \$ 1,125.00
February 1-2, adjournment requested by Oppenheimer	= \$ 1,125.00

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

On January 30, 2006, Oppenheimer requested adjournment of the hearing dates scheduled on January 31-February 2, 2006.	= \$ 300.00
---	-------------

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted and each decision rendered on a discovery-related motion on the papers. 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:

Five (5) Pre-hearing sessions with Panel x \$1,125.00	= \$ 5,625.00
Pre-hearing conferences:	
August 3, 2005	1 session
September 7, 2005	1 session
October 28, 2005	1 session
November 28, 2005	1 session
January 30, 2006	1 session
Six (6) Hearing sessions x \$1,125.00	= \$ 6,750.00
Hearing Dates:	
January 31, 2006	1 session
March 23, 2006	3 sessions
March 24, 2006	2 sessions
Total Forum Fees	= \$12,375.00

The Arbitration Panel has assessed \$12,375.00 of the forum fees to Oppenheimer & Co., Inc.

Fee Summary

Claimant, Oppenheimer & Co., Inc., is liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 1,125.00
Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 12,375.00
Total Fees	= \$ 20,000.00
Less payments	= \$ 10,075.00
Balance Due NASD Dispute Resolution	= \$ 9,925.00

Respondent, Mark Casebolt, is liable for:

Counterclaim Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 0.00
Balance due NASD Dispute Resolution	= \$ 225.00

These balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Stephen D. Kursman, Esq. - Public Arbitrator, Presiding Chair

Michael J. Meeusen - Public Arbitrator

Howard M. Klausmeier, Esq. - Non-Public Arbitrator

Signing Arbitrators:



Stephen D. Kursman, Esq.
Public Arbitrator, Presiding Chair

3/27/06

Signature Date

Michael J. Meeusen
Public Arbitrator

Signature Date

Howard M. Klausmeier, Esq.
Non-Public Arbitrator

Signature Date

3/27/06
Date of Service (For NASD office use only)

Fee Summary

Claimant, Oppenheimer & Co., Inc., is liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 1,125.00
Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 12,375.00
Total Fees	= \$ 20,000.00
Less payments	= \$ 10,075.00
Balance Due NASD Dispute Resolution	= \$ 9,925.00

Respondent, Mark Casebolt, is liable for:

Counterclaim Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 0.00
Balance due NASD Dispute Resolution	= \$ 225.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

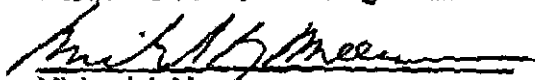
ARBITRATION PANEL

Stephen D. Kursman, Esq. - Public Arbitrator, Presiding Chair
Michael J. Meussen - Public Arbitrator
Howard M. Klausmeyer, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Stephen D. Kursman, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Michael J. Meussen
Public Arbitrator

3-27-06
Signature Date

Howard M. Klausmeyer, Esq.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

Fee Summary

Claimant, Oppenheimer & Co., Inc., is liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 1,125.00
Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 12,375.00
<u>Total Fees</u>	<u>= \$ 20,000.00</u>
<u>Less payments</u>	<u>= \$ 10,075.00</u>
Balance Due NASD Dispute Resolution	= \$ 9,925.00

Respondent, Mark Casebolt, is liable for:

Counterclaim Filing Fee	= \$ 225.00
<u>Total Fees</u>	<u>= \$ 225.00</u>
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance due NASD Dispute Resolution	= \$ 225.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Stephen D. Kursman, Esq. - Public Arbitrator, Presiding Chair
Michael J. Meeusen - Public Arbitrator
Howard M. Klausmeier, Esq. - Non-Public Arbitrator

Concurring Arbitrators:

Stephen D. Kursman, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Michael J. Meeusen
Public Arbitrator

Signature Date

Howard M. Klausmeier, Esq.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)