

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant

Gerald Hallaren

vs.

Case Number: 05-03176
Hearing Site: Denver, Colorado

Name of Respondent

First Albany Capital, Inc.

NATURE OF THE DISPUTE

Associated Person vs. Member

REPRESENTATION OF PARTIES

Gerald Hallaren ("Claimant") was represented by Robert J. Truhlar, Esq., Truhlar & Truhlar, LLP, Centennial, Colorado.

First Albany Capital, Inc. ("Respondent") was represented by Richard G. Kass, Esq., Bond, Schoeneck & King, PLLC, New York, New York.

CASE INFORMATION

The Statement of Claim was filed on or about June 21, 2005. The Submission Agreement of Claimant, Gerald Hallaren, was signed on or about June 22, 2005.

Claimant filed an Amended Statement of Claim on or about January 5, 2006.

The Statement of Answer was filed by Respondent, First Albany Capital, Inc., on or about February 27, 2006. The Submission Agreement of Respondent, First Albany Capital, Inc., was signed on or about February 27, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment contract; promissory estoppel; and fraud. The causes of action related to Claimant's allegation that Respondent breached its employment contract when he was terminated on November 20, 2003 by failing to pay Claimant an earned bonus and failing to pay the expenses of returning his personal property. Claimant further alleged Respondent fraudulently amended

his Forum U-4 to reflect that he was charged and convicted of a felony when in fact the conviction had been overturned by a court of competent jurisdiction and, as a result, Claimant alleged he had problems finding employment within the industry.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant's fraud claim is in reality a claim of defamation, which is time barred and barred by the defense of truth; and Claimant's contract claims are barred by the doctrines of waiver and estoppel.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 500,000.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Costs	Unspecified
Other Monetary Relief	Unspecified
Specific performance to correct the U-4 registration record of Claimant	

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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.

AWARD

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

- 1.) Claimant's claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and

- 3.) Any relief not specifically enumerated, including attorneys' fees and expungement, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial Claim filing fee = \$ 300.00

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 First Albany Capital, Inc.

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

Adjournment Fees

Adjournments granted during these proceedings:

October 16-19, 2006, Adjournment requested by Respondent = \$ 1,125.00
(Fee Waived by the Panel)

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that last four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$ 1,125.00 = \$ 1,125.00
Pre-hearing conference: June 1, 2006 1 session

Nine (9) Hearing sessions x \$ 1,125 = \$ 10,125.00
Hearing Dates: November 7, 2006 2 sessions
November 8, 2006 2 sessions
November 9, 2006 2 sessions

November 10, 2006

3 sessions

Total Forum Fees = \$ 11,250.00

The Panel has assessed \$ 5,625.00 of the forum fees to Gerald Hallaren.

The Panel has assessed \$ 5,625.00 of the forum fees to First Albany Capital, Inc.

FEE SUMMARY

Claimant, Gerald Hallaren, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 5,625.00
Total Fees	= \$ 5,925.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 4,500.00

Respondent, First Albany Capital, Inc., is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 5,625.00
Total Fees	= \$ 10,825.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 5,625.00

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

ARBITRATION PANEL

Joseph M. Costello - Non-Public Arbitrator, Presiding Chair
Robert Allen Dudley - Non-Public Arbitrator
Jerome C. Zackroff - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Joseph M. Costello
Non-Public Arbitrator, Presiding Chair

Signature Date

Robert Allen Dudley
Non-Public Arbitrator

Signature Date

Jerome C. Zackroff
Non-Public Arbitrator

Signature Date

11/21/06
Date of Service (For NASD office use only)

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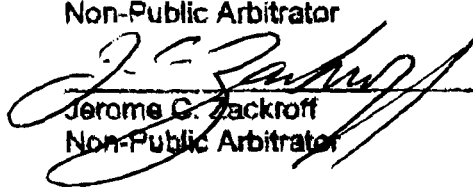
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Robert Allen Dudley
Non-Public Arbitrator

Signature Date



Jerome C. Zackroff
Non-Public Arbitrator

11/20/2006

Signature Date

11/21/06

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