

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

First Interstate Bank of  
Nevada, N.A., Trustee  
of the Adolph Bronder  
1989 Living Trust and  
Bronder Construction Company  
a Nevada Corporation,

vs.

NASD #91-02216

Name of Respondents

Oppenheimer and Company, Inc.  
Robert Reidy

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REPRESENTATION

For Claimants: William R. Urga, Esq., and J. Douglas Driggs, Jr., Esq.,  
JOLLEY, URGa, WIRTH & WOODBURY, Las Vegas, Nevada

For Respondents: Eugene L. Small, Esq., Oppenheimer & Company, Inc., New  
York, New York.

CASE INFORMATION

Statement of Claim filed: July 19, 1991

Claimants' Submission Agreements signed: July 9, 1991

Joint Statement of Answer filed by Respondents on: September 27, 1991

Respondents' Submission Agreements signed on:

Oppenheimer & Company: September 17, 1991

Robert Reidy: None submitted

HEARING INFORMATION

Hearing Date/Sessions: April 15, 1992 (2 sessions)

April 16, 1992 (2 sessions)

May 7, 1992 (2 sessions)

Hearing Location: Las Vegas, Nevada

### CASE SUMMARY

Claimants alleged lack of suitability, negligence, fraud, and breach of fiduciary duty in connection with the investments in common stocks, covered calls and a limited partnership made in the personal account of the late Adolph Bronder and the Corporate account of Bronder Construction Company.

Respondents denied the allegations of wrongdoing. Respondents asserted that Adolph Bronder approved all investment positions taken, that it was Mr. Bronder's objective to trade stocks on a short term basis and to take aggressive positions, and that the losses in the Bronder accounts were not related to the use of arbitrage but occurred because of the October 1989 market crash.

### RELIEF REQUESTED

Claimants requested actual damages of \$598,582.81 plus interest to date of \$186,842.95, punitive damages, costs of arbitration and attorney's fees.

Respondents requested dismissal of all claims.

### 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. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

The motion to dismiss made by counsel for Respondents was denied by the panel at hearing.

### 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. All claims, including the claim for punitive damages, are dismissed.
2. The parties shall each bear their respective costs including attorneys' fees.

### OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall refund the \$1,000 hearing session deposit previously paid by Claimants. Respondent Oppenheimer is assessed forum fees of \$6,000 (6 sessions x \$1,000/session).

Fees are payable to the NASD, Inc.

ARBITRATION PANEL

Name

Public/Industry

John B. Reilley  
Arthur G. Grant  
Vernon B. Willis

Public Arbitrator  
Public Arbitrator  
Industry Arbitrator

Concurring Arbitrators' Signature

  
John B. Reilley

DATE SERVED: 06/02/92

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Arthur G. Grant

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Vernon B. Willis

Date of Decision: \_\_\_\_\_