

SETTLEMENT AGREEMENT

DEC 15 1993

THIS SETTLEMENT AGREEMENT is made this _____ day of November, 1993, by and between Kemper Securities, Inc. (hereinafter "KSI") and Howard I. Weinstein (hereinafter "Weinstein"). KSI is a corporation organized and existing under the laws of the State of Delaware.

93-00043

R E C I T A L S

A. KSI asserted claims against Weinstein in a National Association of Securities Dealers, Inc. arbitration designated as NASD Case No. 93-00043, Kemper Securities, Inc. v. Howard I. Weinstein (hereinafter the "Arbitration") to recover the outstanding balance on a forgivable loan provided to Weinstein.

B. KSI and Weinstein, by entering into this Settlement Agreement, neither admit nor deny the allegations contained in the Arbitration.

C. Nevertheless, the parties hereto are desirous of mutually and amicably settling all claims and controversies between them as is more fully set forth below and under the terms and conditions of this Settlement Agreement.

C O V E N A N T S

In consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Weinstein shall pay to KSI the sum of \$13,700.00 as follows:

- a. \$500 payable to KSI on or before November 1, 1993. Thereafter, Weinstein shall make thirty-three (33) equal monthly installments each in the amount of \$400.00. The first monthly installment is due on December 1, 1993. Each payment thereafter shall be due on the first day of each subsequent month until August 1, 1996, when the final payment is due.

- b. All payments shall be made payable to Kemper Securities, Inc. and shall be sent to the attention of Dan Williams, Kemper Securities, Inc., 77 W. Wacker Drive, Suite 2600/Accounting Department, Chicago, Illinois 60601.

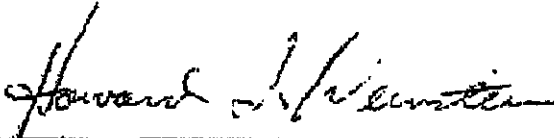
2. In the event that Weinstein fails to make any payment required by this Settlement Agreement when due, upon written notice to Weinstein at his present place of employment, KSI shall have the right to declare Weinstein in default under this Settlement Agreement. Weinstein shall have ten (10) days from the date of said notice to make the delinquent payment and cure the deficiency. In the event that Weinstein changes his present employment, he shall immediately advise the KSI Legal Department, at the address referenced above, of his new employment address.

3. In the event that Weinstein fails to make any payment under this Settlement Agreement when due and that deficiency is not cured as provided herein, KSI may enforce the Consent Award, attached hereto as Exhibit A, against Weinstein to recover the amounts specified therein, less any payments made to KSI. Weinstein agrees that he will not assert any defense as to the Consent Award, other than payment. Weinstein further consents to the entry of the Consent Award as a judgment in any federal or state court with jurisdiction. Weinstein further agrees to pay all costs incurred by KSI in enforcing the award or judgment, including reasonable attorneys' fees and expenses, not to exceed \$1,000.00.

4. Weinstein warrants, promises and covenants that he and his agents, representatives and attorneys will keep the terms of this Settlement Agreement strictly confidential and further warrants, promises and agrees that he and his agents, representatives and attorneys will not communicate the terms of this Settlement Agreement orally or in writing to any third-party unless required to do so by law.

5. Upon receipt by KSI of the executed Settlement Agreement, signed by Weinstein, and the executed Consent Award, signed by the Panel, KSI shall withdraw and dismiss the Arbitration. Upon completion of all obligations under this Settlement Agreement, including, but not limited to the payments specified in paragraph 1, the parties, for themselves, their heirs, successors and assigns, do forever release and discharge each other from any and all causes of action, actions, judgments, damages, losses and liabilities arising from or relating to the subject matter of the Arbitration.


IN WITNESS WHEREOF the parties hereto have read and fully understand the foregoing Settlement Agreement and confirm that it represents the agreement they have reached.


Howard I. Weinstein

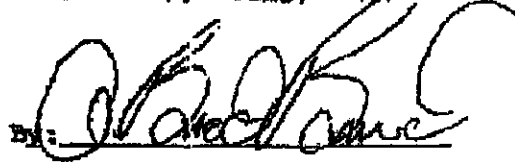
STATE OF NEW YORK)
COUNTY OF NASSAU) ss

The foregoing Settlement Agreement was subscribed to and sworn before me this 2nd day of December, 1993, by Howard I. Weinstein.

Witness my hand and official seal.


Notary Public
My Commission expires:
MICHAEL S. CARDILLO
Notary Public, State of New York
No. 4413385
Qualified in Suffolk County
Commission Expires March 30, 1995

KEMPER SECURITIES, INC.

By: 
Its: U.P. and Senior Attorney

STATE OF ILLINOIS)

COUNTY OF COOK) ss.

The foregoing Settlement Agreement was subscribed to me and
sworn before me this 13th day of December, 1993, by
A. John Bursch, as V.P. and General Attorney of Kemper
Securities, Inc.

Witness my hand and official seal.

Lucy H. K. Small
Notary Public
My Commission expires: 5/13/96

NR1012.ALS

OFFICIAL SEAL
Angela L. Sower
Notary Public, State of Illinois
My Commission Expires 5/13/96

N.A.S.D. AWARD BY CONSENT

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

KEMPER SECURITIES, INC.,

Claimant,

No. 93-00043

v.

HOWARD I. WEINSTEIN

Respondent.

REPRESENTATION

For Claimant:

**A. Brad Husscher, Esq., of Kemper Securities, Inc., 77 W.
Wacker Drive, Suite 2400, Chicago, Illinois 60601.**

For Respondent:

**Scott Zucker, Esq., 111 Great Neck Road, Suite 300
Great Neck, New York 11021**

CASE INFORMATION

Statement of Claim filed: December 30, 1992

Claimant's Submission Agreement signed on: December 30, 1992

Statement of Answer filed by Respondent on: March 2, 1993

**Respondent Submission Agreement signed on:
March 2, 1993**

EXHIBIT A

1

HEARING INFORMATION

The hearing date in this matter was scheduled for November 3, 1993. Prior to the first hearing date, the parties informed the NASD that they had reached a settlement and had agreed to enter into an award by consent.

CASE SUMMARY

Claimant Kemper Securities, Inc. ("Claimant"), alleged non-payment of a forgivable loan to Respondent ~~James J. Welch~~ ^{Howard J. Welch} ("Respondent") in the amount of \$20,000. In connection with Respondent's employment and receipt of the forgivable loan, Respondent was provided with a Promissory Note which Respondent signed on May 26, 1992. Respondent voluntarily terminated his employment on October 16, 1992 and failed to repay the outstanding balance due on the Promissory Note.

Respondent filed an Answer and alleged, among other things, that Claimant failed to state a claim upon which relief could be granted.

RELIEF REQUESTED

Claimant requested the arbitrators to enter an award in its favor against the Respondent as follows:

1. \$20,000.00 for the outstanding balance on the forgivable loan;
2. Interest at the rates specified in the Note from May 20, 1992 until the date of the award; and
3. All costs of the arbitration proceeding, including a reasonable amount for attorneys' fees.

JUL-27-1994 16:32 FROM NASD-ARBITRATION-CHICAGO TO
07-18-94 09:16AM FROM KEMPER LEGAL TO 92369239

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P009/009

Concurring Arbitrators:

December 20, 1993
(date)

December 22, 1993
(date)

December 28, 1993
(date)

RESIDEX.BLS

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