

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

ALLAN G. BORTEL

vs.

NASD Arbitration
No. 93-02677

Name of Respondent

SUTRO & CO., INC.

REPRESENTATION

For Claimant: Gail J. Saliterman, Esq. - San Francisco, California

For Respondent: Gilbert R. Serota, Esq. - Howard Rice Nemerovski Canady Robertson Falk
& Rabkin - San Francisco, California

CASE INFORMATION

Statement of Claim filed: July 9, 1993

Claimant's Submission Agreement signed: July 3, 1993

Statement of Answer filed by Respondent: August 30, 1993

Respondent's Submission Received: September 24, 1993

HEARING INFORMATION

Pre-Hearing Conference Date / Session: None

Hearing Date(s) / Session(s): February 25, 1994 - Three Sessions

Hearing Location: San Francisco, California

CASE SUMMARY

Claimant seeks to recover finders fees allegedly owed him by Respondent. One of the fees represents at least 10% of the approximately 46,600 warrants (after stock dividend) to purchase shares of stock issued by Sterling Savings (now Sterling Financial Corp.) which Sutro & Co. received from Sterling as part of its fees for helping with that Company's financing and a finder's fee of at least 10% of the \$685,000.00 in fees which Respondent received from Douglas Broadcasting Company for helping with that Company's financing. Claimant also seeks consulting fees of \$8,057.33 owed for May 1, 1991 to May 20, 1991 inclusive.

Respondent alleged that no fees or warrants were due to Claimant in that the warrants were not exercised until after Claimant left Respondent's firm. Respondent also alleged that the no finder's fee was due on the Douglas Broadcasting claim in that the transaction did not close until after a one year period specified in an agreement between the parties.

RELIEF REQUESTED

Claimant seeks to recover at least 10% of the approximately 46,600 in warrants that Respondent received as part of the Sterling Financial transactions, at least 10% of the \$685,000.00 in fees that Respondent received as a part of the Douglas Broadcasting financing transaction, plus interest at the legal rate from May 14, 1992.

Respondent seeks dismissal of the claim in its entirety plus costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 remains on file with the NASD.

1. The panel found that the claims were made and awarded pursuant to a May 30, 1991, agreement between the parties.
2. All claims for "consulting" fees were withdrawn by Claimant.

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. Respondent Sutro & Co., Inc. is liable and shall pay to Claimant a finders fee of \$21,000.00 representing the value of 4658.5 warrants when exercised.
2. Respondent Sutro & Co., Inc. is liable and shall pay to Claimant, Allan G. Bortel, the sum of Sixty Eight Thousand Five Hundred Dollars and No Cents (\$68,500.00) for claims made for "finders fees".
3. The parties shall each bear their respective costs and fees, including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

1. Claimant is assessed and shall pay to the NASD the sum of \$900.00 representing one-half of the \$1,800.00 assessed for three hearing sessions at \$600.00 each.
2. Respondent is assessed and shall pay to the NASD the sum of \$900.00 representing one-half of the \$1,800.00 assessed for three hearing sessions at \$600.00 each.

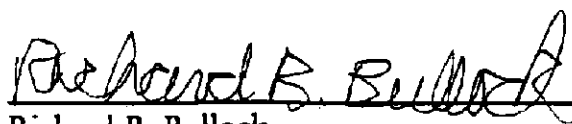
Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Allan Blau	Public
Richard B. Bullock	Industry
Leonard Greenwold	Public

Concurring Arbitrators' Signatures

Allan Blau


Richard B. Bullock

Leonard Greenwold

Date of Decision: _____