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5/95

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Janney Montgomery Scott, Inc.

93-04627

Name of Respondent

David E. Snyder

REPRESENTATION

Claimant Janney Montgomery Scott, Inc. ("Janney Montgomery") was represented at the hearing by Mary Ann M. Melchiorre, Esq. of Janney Montgomery Scott, Inc.

Respondent David E. Snyder ("Snyder") was represented at the hearing by Barry H. Boise, Esq. of Cohen Shapiro, Polisher, Shiekman, and Cohen of Philadelphia, Pennsylvania.

CASE INFORMATION

The Statement of Claim was filed with the NASD by Claimant Janney Montgomery on November 5, 1993. The Uniform Submission Agreement was signed by Richard A. Purkiss, Senior Vice President, on behalf of Janney Montgomery on October 27, 1993.

The Statement of Answer was filed by Respondent Snyder on August 4, 1994. The Uniform Submission Agreement was signed by Snyder on October 11, 1994.

HEARING INFORMATION

The hearing was held on March 28, 1995, at the Holiday Inn Downtown Center City Hotel in Philadelphia, Pennsylvania for a one (1) hearing session.

CASE SUMMARY

Claimant alleged that it hired David E. Snyder as a registered representative trainee for its Bala

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Cynwyd branch office. Snyder was not registered at the time and required licensing and training in order to become a registered stockbroker with Claimant. Claimant alleged that Snyder voluntarily entered into a training and employment agreement which required, among other things, that Snyder reimburse Claimant a certain sum of money should he voluntarily terminate his employment with Claimant prior to the completion of two (2) years of employment.

Claimant further alleged that on or about July 14, 1993 Snyder voluntarily terminated his employment with Claimant. Claimant sent a demand letter to Snyder asking to be reimbursed in the amount of \$24,000 in accordance with the agreement entered into between the parties.

Respondent, David Snyder, admitted that he entered into the training and employment agreement after he had become satisfied that the agreement was standard in the industry and required of all registered representative trainees of Claimant. Respondent asserted that the only training he received as a trainee was a one and one-half day seminar and the self-study materials for the Series 7 examination. Snyder further maintained that it was his understanding that once he obtained his registration he would be compensated in the form of base salary plus a percentage of commission earned. Claimant maintained that he was to be compensated either on the base salary agreed to or on commission earned, whichever was greater.

Respondent acknowledged advising Claimant that he wished to voluntarily terminate his employment, but when Claimant asserted that it would attempt to enforce the agreement, he sought to maintain his employment and that Claimant fired him.

RELIEF REQUESTED

Claimant requested damages in the amount of \$24,000; \$16,000 for liquidated damages, plus \$8,000 expenses for being forced to pursue legal remedies to enforce the agreement.

Respondent Snyder requested that the Claimant's claim be denied in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed by counterpart copies. The parties have also agreed to receive conformed copies of the Award while the original remains on file with the NASD.

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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. The Statement of Claim filed by Claimant Janney Montgomery Scott, Inc., is dismissed in its entirety.
2. Respondent David E. Snyder shall be and hereby is liable for and shall pay to Claimant Janney Montgomery Scott, Inc., One Hundred and Fifty Dollars and No Cents (\$150.00) as partial reimbursement for the hearing session deposit previously paid to the NASD by Claimant.
3. Each of the parties shall bear their own costs and expenses incurred, other than those specifically provided for herein.
4. Any relief not specifically provided for herein is denied.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the following Forum Fees are assessed:

1 hearing session x \$300 = \$300.

Pursuant to Section 44(c) of the Code, the NASD shall retain the non-refundable filing fee in the amount of \$500, and the hearing session deposit in the amount of \$300 previously paid to the NASD by Claimant.

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

Arbitrator's Signature

Dated:

4/24/95

/s/
Robert Ira Rabinowitz, Esq., Presiding
Industry Arbitrator

Date Award Served By the NASD: May 1, 1995