

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Roger A. Feldman

93-04918

Name of Respondent

The Chapman Co.

REPRESENTATION

For Claimant Roger A. Feldman ("Claimant"): Randolph C. Knepper, Esq. of the law firm of Levin & Gann, P.A., Baltimore, MD

For Respondent The Chapman Co. ("Respondent"): Todd J. Horn, Esq. of the law firm of Venable, Baetjer and Howard, P.C., Baltimore, MD

CASE INFORMATION

Statement of Claim filed: November 29, 1993

Claimant's Submission Agreement signed on: November 24, 1993

Statement of Answer filed by Respondent on: March 7, 1994

Respondent's Submission Agreement signed on: March 2, 1994

HEARING INFORMATION

Pre-Hearing Conference: October 13, 1994 - one session

Hearing Dates/Sessions: October 24, 1994 - two sessions
 October 31, 1994 - two sessions

Hearing Location: Radisson Plaza Lord Baltimore Hotel, Baltimore, MD

CASE SUMMARY

Claimant alleged, among other things, that Respondent breached its contract wi'

Claimant. Claimant alleged that the parties entered into an oral employment contract. Claimant alleged that in reliance on the stated compensation package by Respondent, he rejected other offers of employment. Claimant alleged that he sent Respondent a letter which embodied their agreement. Respondent never agreed in writing to the agreements terms but never refused its terms. Claimant alleged that Respondent failed to honor its agreement with Claimant. Claimant alleged that he repeatedly asked Respondent to honor its agreement, but Respondent refused to do so. Claimant alleged that he sent Respondent an itemization of trading commissions owed to Claimant by Respondent but Respondent has failed and refused to pay. Claimant alleged that Respondent defamed him. Claimant alleged that the reason stated for his termination by Respondent on Claimant NASD Form U-5 ("U-5") was false. Claimant alleged that Respondent knew the statement made on Claimant's U-5 was false and that the statement was made to purposely damage Claimant's reputation in the securities industry. Claimant alleged that as a result of Respondent's false statements he has been damaged.

Respondent categorically denied all allegations of wrongdoing asserted by Claimant. Respondent maintained that its president Nathan A. Chapman, Jr. ("Mr. Chapman") discussed employment with Claimant and told Claimant that Respondent was looking to hire someone to act as a liaison between the customers and floor traders and that the annual salary would be in the \$30,000 - \$35,000 range. Respondent maintained that Claimant was interested in the position and arranged to meet Mr. Chapman. Respondent maintained that prior to being hired, Mr. Chapman told Claimant that the job paid \$35,000 per year and would not include commissions. Respondent maintained that Claimant accepted Mr. Chapman's job offer according to these terms. Respondent maintained that it never breached an agreement with Claimant. Respondent maintained that Claimant complained frequently about his job. Respondent maintained that Claimant refused to conform his work behavior to suit Respondent's operational and marketing strategies. Respondent maintained that throughout Claimant's employment with Respondent he displayed an unprofessional attitude with clients and co-workers. Respondent maintained that Claimant was discharged for such conduct and for his inability to constructively interact with his fellow co-workers and clients. Respondent maintained that the statement made on the U-5 was true and that Claimant was not defamed.

RELIEF REQUESTED

Claimant requested a monetary award of \$200,000 in damages, plus \$200,000 in punitive damages and that Respondent be ordered to expunge the statement it made on Claimant's U-5.

Respondent requested that Claimant's claim be dismissed with prejudice, and that it be awarded attorneys' fees and costs.

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.

That Respondent made a Motion to Dismiss at the close of Claimant's case and the Panel denied this motion and decided this case on the merits.

AWARD

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

1. That Claimant's claim for a monetary award is denied in its entirety.
2. That Claimant's claim for punitive damages is denied in its entirety.
3. That Claimant's request to have his U-5 expunged is denied.
4. That the parties shall bear their respective costs and attorneys' fees except as specifically provided below.

OTHER COSTS

Claimant shall be assessed the costs for the speaker phone in the amount of \$105.

FORUM FEES

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

(1 pre hearing conference x \$300) plus (4 hearing sessions x \$750) = \$3,300

Forum fees assessed against all parties equally. Claimant assessed forum fees in the amount of \$1,650, however, Claimant is entitled to offset this fee with his hearing session deposit of \$750 so that the amount due from the Claimant as

Feldman Award
Case No. 93-04918
Page 4

forum fees is \$900. Respondent is assessed forum fees in the amount of \$1,650.

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

Concurring Arbitrator's Signature
Name

Public/Industry



Daniel Donovan, Esq.

NASD Date of Decision: November 25, 1994

Feldman Award
Case No. 93-04918
Page 4

forum fees is \$900. Respondent is assessed forum fees in the amount of \$1,650.

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

Concurring Arbitrator's Signature
Name

Carol Corbett
Carol Corbett

Public/Industry

Industry

NASD Date of Decision: November 25, 1994

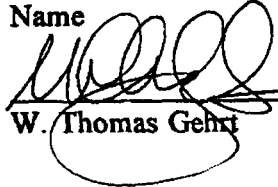
Feldman Award
Case No. 93-04918
Page 4

forum fees is \$900. Respondent is assessed forum fees in the amount of \$1,650.

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

Concurring Arbitrator's Signature

Name


W. Thomas Gehrt

11-15-94

Public/Industry

Industry

NASD Date of Decision: November 25, 1994