

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Oppenheimer & Co., Inc.

95-00900

Name of Respondent

Michael J. Bader

REPRESENTATION

For Claimant Oppenheimer & Co., Inc. ("Claimant"): Lloyd S. Clareman, Attorney at Law, New York, New York

For Respondent Michael J. Bader ("Respondent"): Gerald D. Fischer, Esq. of the law firm of Opton Handler Gottlieb Feiler & Katz, LLP, New York, New York

CASE INFORMATION

Statement of Claim filed: February 21, 1995

Claimant's Submission Agreement signed on: February 13, 1995

Statement of Answer and Counterclaim filed by Respondent on: May 8, 1995

Respondent's Submission Agreement signed on: May 2, 1995

HEARING INFORMATION

Hearing Date/Sessions: September 27, 1995 - two sessions

Hearing Location: Holiday Inn City Centre, Philadelphia, PA

CASE SUMMARY

Claimant alleged that Respondent signed an employment agreement which contained a forgivable loan. Claimant alleged that Respondent was loaned \$91,727.00 and that such loan would be forgiven by Claimant at a rate of \$2,547.97 for 36 months. Claimant asserted that if Respondent remained employed with Claimant for three years the loan would be forgiven. Claimant alleged that Respondent voluntarily left Claimant after being employed by Claimant for 23 months. Claimant alleged that Respondent left and was aware that he was responsible to pay the amount due on the promissory note; that demand for payment was made; and, that the balance remains due and owing to Claimant.

Respondent denied all allegations asserted by Claimant and maintained that Claimant breached its contract with Respondent. Respondent maintained that Claimant cold called him while he was a broker with Dean Witter Reynolds ("DWR") and solicited him to join Claimant. Respondent maintained that Claimant "wined and dined" him to induce Respondent to join Claimant. Respondent maintained that he fully disclosed to Claimant all relevant information regarding his business. Respondent maintained that Claimant was informed that he had several large clients which clients paid for their stock through their banks, on a delivery against payment basis ("DVP"). Respondent alleged that after he resigned from DWR, Claimant would not permit Respondent to take orders from his large clients on a DVP basis. Respondent maintained that Claimant failed to disclose material information about its business to Respondent prior to Respondent leaving DWR. Respondent maintained that this caused him to lose some large accounts. Respondent maintained that he was deprived of over \$100,000 per year of gross commission basis for a period of nearly two years. Respondent counterclaimed for his 40% payout for two years as well as the trailing commissions that Claimant refused to pay.

Claimant categorically denied any liability to Respondent under its counterclaim.

RELIEF REQUESTED

Claimants requested damages in an amount of \$34,300; plus interest at the New York legal rate of 9% from September 19, 1994 until the date the award is paid; attorney's fees in the amount of \$5,642.75; plus all costs and fees associated with this arbitration.

Respondent requested that Claimant's claim be dismissed in its entirety and counterclaimed requesting damages in the amount of \$80,000; plus withheld salary and wages in an amount in excess of \$5,000; plus punitive damages in the amount of \$5,000 pursuant to Section 198 of the Labor Law of New York and attorney's fees in the amount of \$5,000.

Claimant requested that Respondent's counterclaim be dismissed in their entirety.

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.

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 Respondent is liable to the Claimant and shall pay to the Claimant the sum of \$33,100.00; no interest was awarded on this amount.
2. That Respondent's counterclaims were denied in their entirety.
3. That Respondent's request for punitive damages was denied in its entirety.
4. That the parties shall bear their respective costs and attorney's fees, except as forum fees are specifically addressed herein..
5. Any claims not specifically addressed are denied in their entirety.

FORUM FEES

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

2 hearing sessions X \$ 600 = \$1,200

Forum Fees Assessed Against: Split equally between the parties

The forum fees shall be split between the parties so that Claimant is assessed forum fees in the amount of \$600; however, Claimant is entitled to offset this with its hearing session deposit previously filed in the amount of \$600. Therefore, no further fees are due from Claimant.

Respondent owes forum fees in the amount of \$600.

Oppenheimer Award

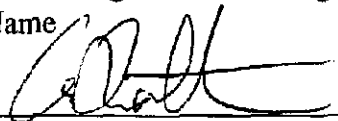
Case No. 95-00900

Page -4-

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

Concurring Arbitrator's Signature

Name



A. Louis Denton - Chairperson

Industry Arbitrator

Michael J. Mazzafrò

Industry Arbitrator

Gerald D. Linette

Industry Arbitrator

Date Award Served by NASD: September 29, 1995

Oppenheimer Award

Case No. 95-00900

Page -4-

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

Concurring Arbitrator's Signature
Name

A. Louis Denton - Chairperson
Industry Arbitrator



Michael J. Mazzafrò
Industry Arbitrator

Gerald D. Linette
Industry Arbitrator

Date Award Served by NASD: September 29, 1995

Oppenheimer Award

Case No. 95-00900

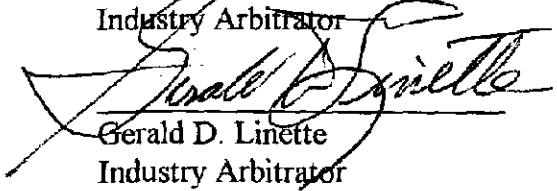
Page -4-

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

Concurring Arbitrator's Signature
Name

A. Louis Denton - Chairperson
Industry Arbitrator

Michael J. Mazzafrò
Industry Arbitrator


Gerald D. Linette
Industry Arbitrator

Date Award Served by NASD: September 29, 1995