

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

William L. Rehana

95-01995

Name of Respondent

Halpert & Co.

REPRESENTATION

Claimant William L. Rehana ("Claimant") was represented by Anthony J. Horn, Esq., Philadelphia, PA.

Respondent Alpert & Co. ("Respondent") was represented by Mari-Anne Pisarri, Esq., Pickard & Djinis, Washington, DC.

CASE INFORMATION

The Statement of Claim was filed April 25, 1995.

Claimant's Uniform Submission Agreement was signed April 12, 1995.

Respondent's Statement of Answer was filed July 19, 1995.

Respondent's Uniform Submission Agreement was signed May 30, 1995.

HEARING INFORMATION

Hearing Date/Sessions: August 8, 1996/three sessions

Hearing Location: NASDR District Office
Philadelphia, PA

CASE SUMMARY

Claimant alleged, among other things, that Respondent failed to provide adequate training agreed to in an employment contract and withheld commissions earned by Claimant. Claimant alleged that Respondent hired Claimant in April 1991. Claimant alleged that Respondent induced Claimant to sign an employment contract based on a promise to place Claimant in a "Mentor Program". Claimant alleged that the Mentor Program was to teach Claimant the techniques of how to assess new clients and sell bonds. Claimant alleged that Claimant and Claimant's mentor would split commissions equally for sales Claimant made during the first two years of the contract. Claimant alleged that Respondent had Claimant sit with a mentor purportedly executing sales prior to employment so that Claimant would be induced to sign the employment agreement. Claimant alleged that after employment, Claimant's mentor spent almost no time assisting Claimant or educating Claimant in making bond sales. Claimant alleged that purported sales which Claimant observed prior to the employment with Respondent were fraudulent. Claimant

alleged that Claimant's mentor still fraudulently received approximately \$20,000.00 of Claimant's commissions for mentoring. Claimant alleged that the lack of training which he had been promised and the sharing of commissions without the benefits of mentoring has damaged Claimant.

Respondent maintained in the Statement of Answer that Claimant was fired for cause in January 1995 and that the allegations contained in the Statement of Claim are retaliation for that termination. Respondent maintained that Claimant received substantial sales training to assist Claimant in honing Claimant's skills as a securities account executive. Respondent maintained that Claimant's exceedingly poor performance was not due to a deficiency in Respondent's training and mentoring program. Respondent maintained that Claimant failed to devote due care, attention and effort to a career in the sales of securities and was often absent from his place of employment. Respondent maintained that in addition to excessive absence from the work-place, Claimant was inattentive to his sales responsibilities due to his attention being diverted by personal problems. Therefore, Respondent denied the allegations of wrong-doing and maintained that Claimant's lack of success while employed by Respondent was the result of Claimant's own actions.

RELIEF REQUESTED

Claimant requested relief in the amount of \$20,000.00 for the commissions paid to a mentor; \$75,000.00 representing the difference between what Claimant made and what Claimant could have made had Claimant received appropriate training; and projected loss of earnings at an amount to be determined at hearing.

Respondent requested that the Statement of Claim be dismissed in its entirety and that the costs of this action be assessed against the Claimant.

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 arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. That the requested relief of \$20,000.00 is denied as the mentor earned his share of the joint commission;
2. That the \$75,000.00 is denied as there were no guarantees made to Claimant;
3. That each party shall pay its own costs and expenses, including attorney's fees;
4. That any and all relief not specifically addressed herein is denied.

FORUM FEES

Pursuant to Rule 10332(c) (previously Section 43) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

3 sessions x \$600.00 = \$1,800.00

Forum Fees are assessed against Claimant and Respondent in equal amounts. Claimant is to receive credit for the \$600.00 hearing session deposit previously submitted to the NASDR, leaving a net assessment due of \$300.00. Respondent has a net assessment due of \$900.00.

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

DATE

CONCURRING ARBITRATORS' SIGNATURES

8/10/96



Eugene Arnold, Jr., Presiding
Industry Arbitrator

Walter J. Schwenk
Industry Arbitrator

Carl T. Necker, Sr.
Industry Arbitrator

Date Decision Served by NASDR:

August 21, 1996

FORUM FEES

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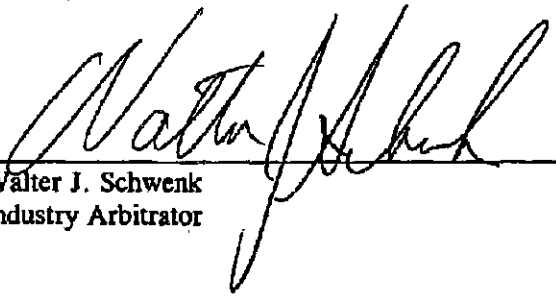
Fees are payable to the National Association of Securities Dealers Regulation, Inc.

DATE

CONCURRING ARBITRATORS' SIGNATURES

Eugene Arnold, Jr., Presiding
Industry Arbitrator

8/16/96



Walter J. Schwenk
Industry Arbitrator

Carl T. Necker, Sr.
Industry Arbitrator

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August 21, 1996

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CONCURRING ARBITRATORS' SIGNATURES

Eugene Arnold, Jr., Presiding
Industry Arbitrator

Walter J. Schwenk
Industry Arbitrator

8/15/96

Carl T. Necker, Sr.
Carl T. Necker, Sr.
Industry Arbitrator

Date Decision Served by NASDR August 21, 1996