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N.A.S.D. AWARD

9605147

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Peter Nyhus

9503243

Name of Respondents

Putnam Mutual Funds Corp.
Putnam Investments

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Securities Dealers, Inc.

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REPRESENTATION

For Claimant appeared Earl P. Gray, Esq. of St. Paul, Minnesota.

For Respondents appeared Louis A. Rodriguez of the firm Sullivan & Worcester, Boston, Massachusetts:

CASE INFORMATION

Statement of Claim was filed on July 5, 1995. Claimant's Submission Agreement was signed on July 18, 1995.

Statement of Answer was filed by Respondents on August 28, 1995. Respondents Submission Agreement was signed on August 18, 1995.

HEARING INFORMATION

Pre-Hearing Conference: April 15, 1996 1 Session

Hearing Date/Sessions: April 22, 1996 2 Sessions

The hearing was heard at the NASD Offices in Boston, Massachusetts.

CASE SUMMARY

Claimant alleged that Respondent Putnam Investments failed to pay him \$41,939.95 in earned commission.

Respondents state that they are an investment management firm and that Claimant was employed by Respondent, as a wholesaler of mutual funds, from September 29, 1986 until he resigned on January 1, 1995. They maintain that Claimant was at all times an employee of Respondent's and not an independent contractor. The Respondents detail Claimant's compensation package: \$50,000 base salary, sales

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commission and a discretionary strategic bonus. Respondents further state that they paid claimant his salary and commissions for the 1994 calendar year and that they did not pay him a bonus since he did not meet the eligibility requirement, Claimant must have been employed by Respondent on the Date of payment in March 1995 unless his employment had been terminated by respondent other than for cause. Respondents conclude by alleging that since Claimant had not satisfied the employment requirement he was not eligible for the strategic bonus.

Respondents assert a counterclaim and allege that Claimant was paid a salary in the sum of \$6,249.99 after the date his employment was terminated. Respondents allege that Claimant acknowledged the overpayment but has refused to return it to Respondents.

RELIEF REQUESTED

Claimant requested the sum of \$41,939.95 in earned commission. Claimant also requests, pursuant to Minn. Stat. 181.14, for 15 days of Claimant's average daily earnings as a penalty.

Respondents requested that it be awarded the sum of \$6,249.99 plus interest on its counterclaim.

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. Respondents be and hereby are jointly and severally liable to, and ordered to pay, Claimant the sum of \$41,939.95 exclusive of interest.
2. Claimant shall, and hereby is liable to, and ordered to pay, Respondents the sum of \$6,249.99 exclusive of interest.

The panel has decided that the award to the Claimant is to be offset by the award to the Respondent. Therefore, the net due to Claimant by Respondents is \$35,689.96.

FORUM FEES

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

1 Pre-Hearing Session x \$300.00	\$300.00
2 Hearing Sessions x \$600.00	\$1,200.00
Total Fees	\$1,500.00

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The undersigned arbitrators have determined that the Respondents shall be liable jointly and severally for the balance of the fees due to the NASD.

1. The Respondents shall pay \$1,500.00 less Claimant's payment (\$600.00) and Respondents' payment (\$300.00) = net \$600.00 due.

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

Arbitrators' Signatures


Iris Taymore Schnitzer

Jeffrey R. Larsen

James E. Dowd, Esq.

EXECUTION
Date of ~~Decision~~ 4/22/96
Date of Decision: May 30, 1996

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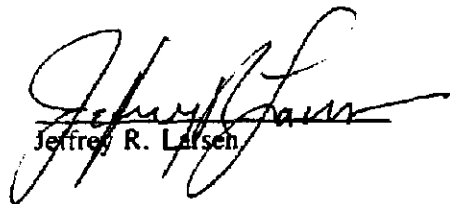
The undersigned arbitrators have determined that the Respondents shall be liable jointly and severally for the balance of the fees due to the NASD.

1. The Respondents shall pay \$1,500.00 less Claimant's payment (\$600.00) and Respondents' payment (\$300.00) = net \$600.00 due.

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

Arbitrators' Signatures

Iris Taymore Schnitzer



Jeffrey R. Larsen

James E. Dowd, Esq.

@ate of Decision: May 30, 1996

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Date of Decision: May 30, 1996