

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the Matter of the Arbitration Between

Name of Claimant

Frederick G. Uhlmann

96-01760

Name of Respondent

Rodman & Renshaw Inc.

REPRESENTATION

For Claimant: Frederick G. Uhlmann ("Uhlmann") was represented by Lawrence C. Rubin, Esq. of Shefsky Froelich & Devine Ltd., located in Chicago, Illinois.

For Respondent: Rodman & Renshaw Inc. ("Rodman") was represented by Michael J. Gaetner, Esq. of Lord, Bissell & Brook, located in Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed: April 23, 1996.

Claimant's Submission Agreement signed on: April 17, 1996.

Statement of Answer filed by Respondent on: July 25, 1996.

Respondent's Submission Agreement signed on: November 21, 1996 by Robert A. Bade, Senior Vice President, Director of Compliance, Rodman & Renshaw, Inc.

HEARING INFORMATION

Pre-Hearing Conference: None Held.

Hearing Dates/Sessions: April 22, 1997 for Two (2) sessions; and
April 23, 1997 for Two (2) sessions.

Hearing Location: Chicago, Illinois.

CASE SUMMARY

Claimant alleged that Respondent Rodman failed to pay him a bonus pursuant to the terms of his Employment Agreement dated July 1, 1988. Under the terms of the Agreement, Rodman was to

make available to Uhlmann a bonus in an amount equal to 15% of the pre-tax profits of the commodities department. Uhlmann was entitled to a bonus in fiscal years 1993 and 1994, but Rodman failed and refused to pay the bonus.

Rodman denied the material allegations of the Statement of Claim, alleging that:

1. The terms of the July 1, 1988 agreement does not set forth the terms of Uhlmann's employment for the entire period he was employed because the agreement was superseded in February 1994;
2. In February 1994, Uhlmann agreed to a compensation package which included an increased salary (\$200,000) and a discretionary bonus. This compensation arrangement was changed again in August 1994 when Rodman paid Uhlmann, and Uhlmann accepted, an additional \$100,000 in lieu of any bonus;
3. Rodman has paid to Uhlmann all bonuses to which he was entitled for the years 1993 and 1994; and
4. Rodman suffered a fiscal loss in 1993.

RELIEF REQUESTED

Claimant requested entry of an award against Respondent for \$368,843.90 plus interest, reasonable attorneys' fees and all costs. At hearing, the sum requested was increased to \$549,796.65.

Respondent requested that the arbitrators deny the claim in its entirety and award Respondent its reasonable attorneys' fees and costs expended in those proceedings.

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. Respondent Rodman & Renshaw Inc. is liable for and shall pay to the Claimant

Frederick G. Uhlmann the sum of \$150,000.00 as actual damages;

2. The parties shall bear their own costs of arbitration, including attorneys' fees, except for those specifically enumerated herein; and
3. Any relief not specifically awarded is hereby denied.

OTHER COSTS

Respondent Rodman & Renshaw Inc. is liable for and shall pay to the NASD Regulation, Inc., Office of Dispute Resolution the member surcharge in the sum of \$350.00 pursuant to Section 10333 of the Code of Arbitration Procedure.

FORUM FEES

Pursuant to Section 10205(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed: Four (4) sessions x \$750.00 per session = \$3,000.00. The NASD Regulation, Inc., Office of Dispute Resolution shall retain the \$500.00 non-refundable claim filing fee paid by Claimant Frederick G. Uhlmann. In addition, the Office of Dispute Resolution shall retain the \$750.00 hearing session deposit paid by Claimant Frederick G. Uhlmann as forum fees. Furthermore, Claimant Frederick G. Uhlmann is liable for and shall pay to the Office of Dispute Resolution the sum of \$750.00 as additional forum fees. Respondent Rodman & Renshaw Inc. is liable for and shall pay to the Office of Dispute Resolution the sum of \$1,500.00 as forum fees. Fees are payable to the NASD Regulation, Inc., Office of Dispute Resolution.

Concurring Arbitrators' Signatures
Name

Date

/s/ Brian E. Slotky
Brian E. Slotky
Industry Arbitrator
Chairperson

April 24, 1997

/s/ Donald R. Dwyer
Donald R. Dwyer
Industry Arbitrator

April 24, 1997

/s/ Ronald A. Lavery
Ronald A. Lavery
Industry Arbitrator

April 24, 1997