6604095

N.A.S.D. **AWARD**

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Offerman & Company Incorporated

96-02716

Name of Respondent

Ronald G. Salyer

CASE SUMMARY

In a claim filed with the National Association of Securities Dealer, Inc. on June 25, 1996, Claimant Offerman & Company Incorporated ("Claimant"), through its representative and in-house counsel, Patricia S. Bartholomew, Esq., alleged that Respondent Ronald G. Salyer ("Respondent") failed to reimburse it for commissions that were reclaimed by his client. Claimant further alleged that in December, 1993, while in its employ, Respondent sold the Hartford Variable Annuity ("Hartford") to one of its customers. Claimant also alleged that Respondent earned a total of $2,640.54 in commissions for the Hartford sale. Claimant asserted that the Hartford policy allowed the customer to cancel the trade within 10 days of purchase and to reclaim gross commissions. Claimant further asserted that Respondent's client exercised his option and canceled the transaction. Claimant also asserted that subsequent to the cancellation, it satisfied Hartford's request and paid half of the gross commissions. Claimant further contended that in February 1996, a Hartford audit revealed that it had fully reimbursed the client for the commissions but one-half of the amount remained unpaid by the Respondent. Claimant also contended that following this discovery, it had to reimburse Hartford for the second half of the commissions. Claimant alleged that by this time the Respondent had already left the firm. Claimant further alleged that it sent the Respondent three requests for repayment of his share of commissions received for the transaction. Claimant also alleged that the Respondent failed to send them payment or respond to their requests. Claimant asserted that as a result of the above, it suffered a loss for which Respondent should be held liable.

Respondent Ronald G. Salyer ("Respondent"), who appeared Pro Se, maintained that he responded to Claimant's letters and requested the correspondence where Hartford asks for repayment. Respondent further maintained that the Claimant did not provide him with the

9609095

correspondence. Respondent also maintained that he does not owe the Claimant money because upon his resignation, the Claimant failed to pay him $583.93 in net commissions for trades and $75.00 for returning the operating manual. Respondent further contended that the Claimant refused to pay him for the manual by stating that it was not up to date. Respondent further maintained that the Claimant should be at fault with regard to the manual because he was never sent updated material. Respondent also contended that the Claimant denied payment for his commissions by inaccurately claiming that he never submitted brokerage account forms for the above trades. Respondent maintained that he committed no wrongdoing and therefore, the claims against him should be dismissed.

RELIEF REQUESTED

Claimant Offerman & Company Incorporated. requested $1,320.27 in actual damages. attorney's fees and reimbursement for the filing fee.

Respondent Ronald G. Salyer, requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, J. Bret Armatas, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Offerman & Company Incorporated on June 18, 1996 and by the Respondent Ronald G. Salyer on August 1, 1996.

And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Ronald G. Salyer is liable and shall pay to the Claimant Offerman & Company Incorporated $699.35 in actual damages.

2. The parties shall bear their respective costs.

3. The $575.00 filing fee previously deposited with the National Association of Securities Dealer, Inc. by the Claimant Offerman & Company Incorporated shall be retained by the NASD, Inc. Respondent Ronald G. Salyer is liable and shall pay the Claimant $201.25 as reimbursement of part of the filing fee.

960909

AFFIRMATION

I, J. BRET ARMATAS, Esq., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

J. BRET ARMATAS, Esq.

Date of Decision: September 23, 1996