

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Nori, Hennion, Walsh, Inc., (Claimant) vs. Daniel Deroche, (Respondent)

Case Number: 99-04465

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant Nori, Hennion, Walsh, Inc., hereinafter referred to as "Claimant": Michael V. Colvin, Esq., Bressler, Amery, & Ross, Florham Park, NJ.

Respondent Daniel Deroche, hereinafter referred to as "Respondent": Robert M. Berson, Esq., Executive Vice President and General Counsel, Ryan, Beck, & Co., Inc. Livingston, NJ.

CASE INFORMATION

Statement of Claim filed on or about: September 30, 1999.

Claimant signed the Uniform Submission Agreement: September 28, 1999.

Statement of Answer and Counterclaim filed by Respondent on or about: June 28, 2000.

Respondent signed the Uniform Submission Agreement: June 28, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: breach of Registered Representative Agreement (the "Agreement"); failure to honor obligations; and solicitation of Claimant's employees to leave and work for Respondent's current employer.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: the Agreement is not valid and binding in that it lacks sufficient consideration; Respondent was not paid the minimum wage as required by applicable provisions of the State of New Jersey's Wage and Hour Regulations; Respondent did not engage in a course of conduct to solicit or induce others to leave Claimant's employ; and the restrictive employment clause contained in the Agreement is unenforceable and an unreasonable restraint of trade and is in violation of applicable law and public policy.

In his Counterclaim, Respondent asserted the following cause of action: unpaid wages.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$25,000.00 for Respondent's breach of the Agreement, interest at the legal rate from September 16, 1999 to the date of

the Award, the costs of collection and of this proceeding, attorneys' fees, and any and all further relief that the Panel deems just and proper.

Respondent requested that the Panel declare the Agreement to be an invalid and unenforceable employment agreement under applicable New Jersey law, and deny Claimant's requests for compensatory damages, interest, costs, and attorneys' fees.

In his Counterclaim, Respondent requested compensatory damages in the amount of \$2,060.00, plus interest, the costs of these proceedings, attorneys' fees, and any and all further relief that the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND 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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent be and hereby is liable for and shall pay to Claimant the sum of \$10,000.00 as compensatory damages.
2. Respondent's Counterclaim is hereby denied in its entirety.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 750.00

Counterclaim filing fee = \$ 25.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Nori, Hennion, Walsh, Inc. is a party.

Member surcharge = \$ 400.00

Forum Fees and Assessments

The Arbitrator assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450.00 = \$ 450.00

Pre-hearing conference: June 19, 2000 1 session

Two (2) Hearing sessions x \$450.00 = \$ 900.00

Hearing Date: October 4, 2000 2 sessions

Total Forum Fees = \$1,350.00

1. The Arbitrator has assessed \$675.00 of the forum fees against Claimant.
2. The Arbitrator has assessed \$675.00 of the forum fees against Respondent.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 750.00
Member Fees	= \$ 400.00
Forum Fees	= \$ 675.00
Total Fees	= \$1,825.00
Less payments	= \$2,400.00
Refund Due Claimant	= \$ 575.00

2. Respondent be and hereby is solely liable for:

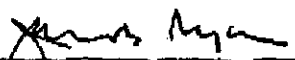
Counterclaim Filing Fee	= \$ 25.00
Forum Fees	= \$ 675.00
Total Fees	= \$ 700.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 700.00

All balances are due and payable to NASD Dispute Resolution, Inc.

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Arbitrator's Signature

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



John B. Ryan
Industry Arbitrator

Nov 16 2000
Signature Date

November 16, 2000

Date of Service (For NASD use only)