

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

PaineWebber, Inc.

92-02650

Name of Respondent

James Haynes

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 7, 1992, Claimant PaineWebber, Inc., through its in-house counsel Garry Stegeland, Esq., alleged that Respondent James Haynes failed to submit to the transfer agent shares of Chris Craft Industries stock that Mr. Haynes had sold through PaineWebber, Inc., and subsequently, Mr. Haynes received stock dividends totaling 115 shares of Chris Craft stock to which he was not entitled. PaineWebber, Inc. further alleged that it was forced to buy-in 115 shares of Chris Craft common stock resulting in a debit in Mr. Haynes's account in the amount of \$3,199.77 and leaving the account with a total debit of \$3,218.46. Claimant PaineWebber, Inc. contended that the Respondent should be held liable for this latter amount.

Respondent James Haynes failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant PaineWebber, Inc. requested \$3,218.46 in actual damages, plus interest, costs and attorney's fees.

Respondent James Haynes failed to file an Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED & DECIDED

In accordance with Section 13 of the NASD Code of Arbitration Procedure the Respondent James Haynes was served a copy of the Statement of Claim by regular and certified mail and

given an opportunity to respond, which he failed to do. Service of the claim and notification of the arbitrator's identity were effected as evidenced by return receipt cards signed by the Respondent.

Pursuant to the By-Laws of the NASD the arbitrator determined that Respondent James Haynes had notice of the claim and was required to submit to this arbitration proceeding and is, therefore, bound by the arbitrator's ruling and determination.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Maurice Arth, was selected to review and determined the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 3, 1992 but not signed by the Respondent James Haynes as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.


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 James Haynes is liable and shall pay to Claimant PaineWebber, Inc. \$3,218.46 in actual damages.
2. The Claimant's request for interest is denied.
3. The parties shall bear their respective costs and attorney's fees.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent James Haynes is liable and shall pay \$575.00 to the Claimant as reimbursement.

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AFFIRMATION

I, MAURICE ARTH, 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.



Signature of Arbitrator

DATE OF DECISION: July 29, 1999