

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Prudential Securities Incorporated

94-00355

Name of Respondent

John Thrasher

REPRESENTATION

For Claimant: Prudential Securities Incorporated ("Prudential") was represented by Steven P. Gomberg, Esq. of Siegan Barbakoff Gomberg & Kane, Ltd., located in Chicago, IL.

For Respondent: John Thrasher ("Thrasher") did not appear.

CASE INFORMATION

Statement of Claim filed: January 31, 1994.

Claimant's Submission Agreement signed on: February 10, 1994 by William Tieting, Esq., First Vice President and Midwest Regional Counsel, Prudential Securities Incorporated.

Respondent Thrasher did not file a Statement of Answer or an executed Submission Agreement.

HEARING INFORMATION

Pre-Hearing Conference: None held.

Hearing Date/Sessions: March 7, 1995 for One (1) session.

Hearing Location: Southfield, Michigan

CASE SUMMARY

Claimant Prudential alleged that Respondent Thrasher failed to the sums due pursuant to a training agreement entered into between the parties. The claim alleged that:

- 1) On or about November 19, 1992, Prudential and Thrasher voluntarily entered into a Financial Advisor in Training agreement;
- 2) Pursuant to the terms of the agreement, Thrasher agreed to reimburse Prudential for the cost of training and other benefits provided if employment with Prudential terminated before the end of three years following Thrasher's registration approval with the NASD;
- 3) Thrasher's registration was approved by the NASD on April 5, 1993. Thrasher was terminated from Prudential on or about May 21, 1993;
- 4) Pursuant to the terms of the Agreement, Thrasher became obligated to reimburse Prudential the sums of \$33,000 in liquidated damages or \$33,000 minus \$2750.00 for each full quarter of employment following approval of his registration;
- 5) Prudential demanded payment and Thrasher has refused to pay.

RELIEF REQUESTED

Prudential requested entry of an award for damages in the sum of \$33,000.00; the cost of collection, including attorneys' fees as agreed in the Agreement; and any other relief the Arbitrators deemed just.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Thrasher did not file an executed Submission Agreement or an answer. Upon review of the parties agreement and the NASD Code of Arbitration Procedure, the panel determined that Respondent Thrasher was required to submit to arbitration pursuant to Section 8 of the NASD Code of Arbitration Procedure. Furthermore, the panel determined that Respondent Thrasher was properly served with the Statement of Claim and notice of the hearing required pursuant to the NASD Code of Arbitration Procedure. Therefore, the panel determined that the hearing would proceed in his absence pursuant to Section 29 of the NASD Code of Arbitration Procedure.

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 John Thrasher is liable for and shall to Claimant Prudential

Securities Incorporated the sum of \$22,250.00;

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

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed: One (1) hearing session x \$600.00 per session = \$600.00.

The National Association of Securities Dealers, Inc. shall retain the \$500.00 claim filing fee and the \$600.00 hearing session deposit previously deposited by the Claimant, Prudential Securities Incorporated.

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

Concurring Arbitrators' Signatures

Name	Date
<u>/s/ Fred B. Green, Esq.</u> Fred B. Green, Esq. Industry Arbitrator Chairperson	<u>May 26, 1995</u>
<u>/s/ Norman A. Samson</u> Norman A. Samson Industry Arbitrator	<u>June 6, 1995</u>
<u>/s/ Frank G. Bank</u> Frank G. Bank Industry Arbitrator	<u>June 5, 1995</u>

For NASD Use Only
Date of Decision: June 6, 1995