

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimant

GKN Securities Corp.

94-00509

Name of Respondent

Michael Lubin

---

**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on February 10, 1994, Claimant GKN Securities Corp. ("GKN"), through its representative and general counsel, Katherine Nathan, Esq., alleged that on or about December 10, 1993, Respondent Michael Lubin ("Lubin") authorized the purchase of 5,000 shares of Toy Headquarters, Inc., and furnished GKN with a check for \$14,077.50 which was returned by the bank for insufficient funds. GKN further alleged that after Lubin refused to provide sufficient funds, his account was liquidated; however a debit balance of \$4,446.25 remained as of January 7, 1994. GKN contended that as a result of the above, it has suffered a loss for which the Respondent should be held liable.

Respondent Michael Lubin failed to file an Answer to the Statement of Claim.

**RELIEF REQUESTED**

Claimant GKN Securities Corp., requested \$4,446.25 in actual damages.

Respondent Michael Lubin failed to file an Answer to the Statement of Claim.

**OTHER ISSUES CONSIDERED AND DECIDED**

In accordance with Section 13 of the NASD Code of Arbitration Procedure, the Respondent Michael Lubin, was served by regular mail and given an opportunity to respond, which he failed to do.

Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent Michael Lubin, has 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 NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Robert Gleichenhaus, Esq., as selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant GKN Securities Corp., on February 9, 1994 and not by the Respondent Michael Lubin as required by Sections 12 and 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. The Respondent Michael Lubin is liable and shall pay to the Claimant GKN Securities Corp. \$4,446.25 in actual damages.
2. The Respondent Michael Lubin is liable and shall pay to the Claimant GKN Securities Corp. interest at the rate of 9% per annum from January 7, 1994 until the date of payment of the award.
3. The parties shall bear their respective costs.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant GKN Securities Corp., shall be retained by the NASD, Inc. The Respondent Michael Lubin is liable and shall pay to the Claimant GKN Securities Corp., \$575.00 as reimbursement of the NASD filing fee.

**AFFIRMATION**

I, **ROBERT GLEICHENHAUS, 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.

  
**ROBERT GLEICHENHAUS, ESQ.**

**DATE OF DECISION:** March 29, 1996