

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

GKN Securities Corp.

95-00506

Name of Respondent

Richard C. Taylor

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 31, 1995 Claimant GKN Securities Corp., ("Claimant") through its representative and in-house counsel, Katherine Nathan, Esq., alleged that Respondent Richard C. Taylor ("Respondent"), a former employee, failed to repay advances given to him during his employment. Claimant further alleged that on or about October 13, 1993, Respondent commenced employment as a registered representative at GKN and executed a Uniform Application for Securities Industry Registration or Transfer in which he agreed to arbitrate any dispute which may arise with Claimant. Claimant contended that on or about October 12, 1993, Respondent signed an Association Agreement which provided that disputes shall be arbitrated at the NASD and in which Respondent agreed to repay GKN for certain expenses and to indemnify it for unsecured customer debits. Claimant further contended that Respondent owes it \$227.05 resulting from expenses and/or unsecured customer debits. Claimant alleged that on or about March 28, 1994 Respondent signed an Increased Payout Agreement ("IPA") in which he agreed to repay it for excess commissions paid over the standard commission grid should he terminate employment with it for any reason prior to March 28, 1995. Claimant contended that Respondent has failed to repay \$1,936.25 of the advances he received from GKN in violation of the IPA. Claimant further contended that as a result of the above, it has suffered a loss for which the Respondent should be liable.

Respondent Richard C. Taylor failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant GKN Securities Corp., requested \$2,174.55 in actual damages, plus interest, attorneys' fees and other costs.

Respondent Richard C. Taylor failed to file an Answer to the Statement of Claim.

AWARD

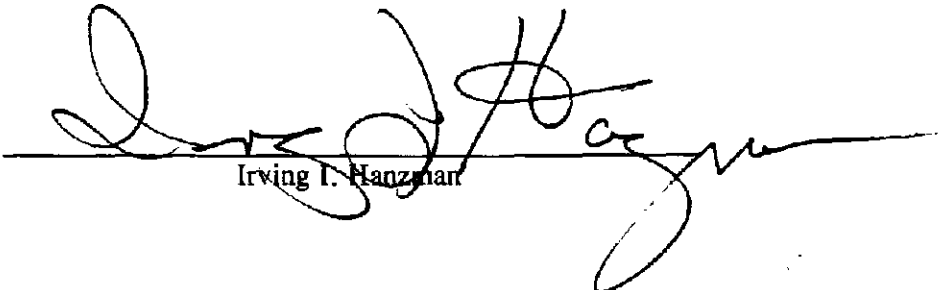
Pursuant to Section 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, Irving I. Hanzman, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant GKN Securities Corp., on January 11, 1995 but not by the Respondent Richard C. Taylor as required by sections 8 and 10 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 Richard C. Taylor is liable and shall pay to Claimant GKN Securities Corp., \$2,174.55 in actual damages.
2. Respondent Richard C. Taylor is liable and shall pay to Claimant GKN Securities Corp., simple interest at the rate set by Florida Statute from July 1994 until the date of payment of the award.
3. 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 Richard C. Taylor shall pay to Claimant GKN Securities Corp., \$575.00 as reimbursement of the filing fee.
4. All other requests for relief are denied.

AFFIRMATION

I, **IRVING I. HANZMAN**, 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.


Irving I. Hanzman

DATE OF DECISION: April 10, 1996