

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

GKN Securities Corp.

95-00511

Name of Respondent

Ronald Buchter

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 in-house counsel, Katherine Nathan, Esq., alleged that Respondent Ronald Buchter ("Respondent") entered into an Association Agreement, wherein he agreed to repay Claimant for certain expenses and to indemnify it for unsecured customer debits. Claimant further alleged that in addition to expenses and/or unsecured customer debits, which are covered in this agreement, Respondent signed an Increased Payout Agreement in which he agreed to repay Claimant the excess commissions paid to him over the standard rate should he terminate employment prior to March, 1994. Claimant contended that Respondent also signed a promissory note on April 1, 1993, which he has also failed to repay. Claimant asserted that because Respondent has failed to repay these debts, it is entitled to an award for the outstanding debt.

Respondent Ronald Buchter failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant GKN Securities Corp., requested \$6,310.27 in actual damages, plus interest, costs, and attorneys' fees.

Respondent Ronald Buchter failed to file an Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED & DECIDED

In accordance with Section 10 of the NASD Code of Arbitration Procedure, the Respondent Ronald Buchter, was served by certified mail and given an opportunity to respond, which he failed to do. Service was effected as evidenced by the return receipt card on file at the NASD.

Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent Ronald Buchter, 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 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, Peter Bennett, Esq., 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 Ronald Buchter, 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 Ronald Buchter is liable and shall pay to the Claimant GKN Securities Corp., \$4,157.57 in actual damages.
2. The Claimant's request for interest is denied.
3. The parties shall bear their respective costs and attorneys' fees.
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. Respondent Ronald Buchter is liable and shall pay to the Claimant GKN Securities Corp., \$575.00 as reimbursement of the filing fee.

AFFIRMATION

STATE OF

N.Y.

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ss:

COUNTY OF

N.Y.

I, *Peter Bennett*, 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.

Peter Bennett

Signature of Arbitrator

DATE OF DECISION:

March 19, 1996