

**NASD AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

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In the Matter of the Arbitration Between

Name of Claimant

Prudential Securities, Incorporated

and

95-00947

Name of Respondent

Trey Fecteau

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**REPRESENTATION OF PARTIES**

Prudential Securities, Inc. ("Claimant") was represented by Mark L. Seffinger, Esq. of Prudential Securities, Inc. located in New York, NY.

Trey Fecteau ("Respondent") did not file an answer and did not appear at the hearing.

**CASE INFORMATION**

The Statement of Claim was filed on or about February 23, 1995.

The Submission Agreement of Claimant, Prudential Securities, Inc. was signed on April 3, 1995 by Ronald M. Jamison, Assistant Vice President.

A Statement of Answer was not filed by the Respondent, Trey Fecteau.

The Submission Agreement of Respondent, Trey Fecteau was signed on May 16, 1995.

**HEARING INFORMATION**

The hearing was held on April 24, 1996 in Houston, TX before three arbitrators for one (1) session.

### **CASE SUMMARY**

In the Statement of Claim, Prudential Securities, Inc. alleged that on or about December 17, 1993, Trey Fecteau ("Fecteau") voluntarily entered into an employment agreement (the "Agreement") wherein the parties agreed to settle any dispute arising out of the Agreement by arbitration under the National Association of Securities Dealers, Inc. Upon beginning employment with Prudential, Fecteau was loaned the sum of \$83,413.00 which is evidenced by a promissory note (the "Note") signed on December 17, 1993. The Note provided that Fecteau was obligated to repay the total amount of the Note plus interest at 6% per annum. As alleged, \$1,939.95 plus accrued interest would be deducted from the Respondent's Net Commission check after taxes at the end of each commission month beginning May, 1994 through November, 1997. Prudential contended that the principle balance of \$83,413.00 representing the unpaid portion of the loan, became due and owing on April 13, 1994, the date of Fecteau's resignation. Prudential further contended that Fecteau expressly agreed to pay all costs of collection for the balance due including attorney's fees. Despite multiple demands made in or about April, May, June and August, 1994, Fecteau has failed and refused to honor the obligation.

Trey Fecteau did not file a Statement of Answer.

### **RELIEF REQUESTED**

Prudential Securities, Inc. requested that an award be rendered in the amount of \$83,413.00 in actual damages plus interest at a rate of 6% per annum from April 13, 1994 to the date of payment as well as costs and attorney's fees.

### **OTHER ISSUES CONSIDERED & DECIDED**

Upon review of the file and the representations made by/on behalf of the Claimant, the panel has determined that Respondent, Trey Fecteau had been properly served with the Statement of Claim pursuant to Sections 13 and 25 of the NASD Code of Arbitration Procedure (the "Code"). The panel also determined that Respondent, Trey Fecteau had received due notice of the hearing as required under Section 26 of the Code and that arbitration of the matter would proceed pursuant to Section 29 of the Code.

Prudential Securities, Inc. filed a Motion to Preclude an Answer pursuant to Section 25(b)(1) and (2)(iii) of the Code on or about January 8, 1996. Prudential Securities, Inc. withdrew the motion at the hearing since Fecteau failed to appear.

The party present at the hearing agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the party

Concurring Arbitrators' Signatures:

Dated:

Thomas A. Thornhill, Jr.  
Thomas A. Thornhill, Jr.  
Industry Arbitrator, Chairman

April 24, 1996

James G. Cooper  
James G. Cooper  
Industry Arbitrator, Panelist

April 24, 1996

Amir H. Ahanchian, Ph.D.  
Amir H. Ahanchian, Ph.D.  
Industry Arbitrator, Panelist

April 24, 1996

Date served by the NASD: April 25, 1996