

N.A.S.D. AWARD

NATIONAL, ASSOCIATION OF SECURITIES DEALERS

In the Matter of Arbitration Between

Name of Claimant

GKN Securities Corp.

v.

9/96
9503427© National Association of
Securities Dealers, Inc.Name of Respondent

Peter Siamas

1996

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REPRESENTATION

For Claimant, GKN Securities Corp., appeared Katherine Nathan, Esq., General Counsel for GKN Securities Corp., located in New York, New York

Respondent, Peter Siamas, did not appear at the evidentiary hearing conducted in this matter.

CASE INFORMATION

Statement of Claim filed: July 17, 1995

Claimant's Submission Agreement signed on: July 6, 1995

Respondent failed to file a Statement of Answer or execute a Submission Agreement as required by Section 25(b) of the NASD Code of Arbitration Procedure.

HEARING INFORMATION

Hearing dates/sessions:	April 16, 1996	-	One Session
	May 29, 1996	-	One Session

The hearings were held at the offices of the National Association of Securities Dealers, Inc. located in New York City, New York.

CASE SUMMARY

Claimant alleged that Respondent, Peter Siamas ("Siamas"), commenced employment as a registered representative with Claimant, GKN Securities Corp. ("GKN"), on or about May 2, 1994. Claimant alleged that Siamas entered into an Association Agreement ("Agreement") with GKN, which provided that Siamas agreed to repay GKN for certain expenses and to indemnify GKN for unsecured customer debits. Claimant further alleged that the resulting debit under the Agreement was \$4,233.76.

Claimant alleged that on or about May 2, 1994, Siamas also signed an Increased Payout Agreement, in which, Siamas agreed to repay to GKN the excess commissions paid to Siamas over the standard commission grid should Siamas terminate employment at GKN, for any reason, prior to May, 1996. Claimant alleged that the excess commission paid to Siamas amounted to \$6,148.15.

In addition, Claimant alleged that on or about May 2, 1994, Siamas signed a promissory note in which he agreed to pay GKN \$12,500.00 that would become payable should Siamas terminate his employment with GKN for any reason prior to May 2, 1995.

Finally, Claimant alleged that Siamas' employment with GKN terminated on or about March 23, 1995. Claimant alleged that there is now due and owing GKN the sum of \$22,185.48, plus interest accruing and that despite demand by GKN, Siamas has failed to pay the amount owed.

RELIEF REQUESTED

Claimant requested an award in the amount of \$22,185.48, together with interest, the cost of the proceedings, attorneys' fees and any and all additional relief as the arbitrators may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

1. The arbitration panel made the following rulings concerning Respondent, Peter Siamas who failed to appear at the evidentiary hearing conducted in this matter:
 - a. Pursuant to Section 1 of the NASD Code of Arbitration Procedure, the panel found subject matter jurisdiction over this entire controversy.
 - b. The panel found that the Respondent was a member of the NASD at the time the controversy arose. Consequently, the panel found personal jurisdiction over the Respondent pursuant to Section 12 of the NASD Code of Arbitration Procedure.
 - c. In view of (b) above, the panel found that Respondent was required to file with the NASD a Statement of Answer and a properly executed Submission Agreement pursuant to Section 25(b) of the NASD Code of Arbitration Procedure. In this

regard, the panel found that the Statement of Claim was properly served upon the Respondent pursuant to Section 25(a) of the Code.

- d. In addition, in accordance with Sections 21, 26 and 29 of the NASD Code of Arbitration Procedure, the panel found that the NASD provided Respondent with "due notice" of the hearing conducted in this matter by regular and certified mail. The panel, therefore, determined to proceed with the hearing without Respondent whose absence was unexcused.
2. The parties have 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 parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

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, Peter Siamas, is liable and shall pay to the Claimant the sum of \$22,185.48 plus interest at 1% a month from March 23, 1995, on the sum of \$12,500.00 until date of payment;
2. Respondent, Peter Siamas, is liable and shall pay to the Claimant the sum of \$600.00 representing reimbursement of the hearing session deposit paid by the Claimant; and,
3. All other requests for relief are denied.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the arbitrators have assessed the following forum fees:

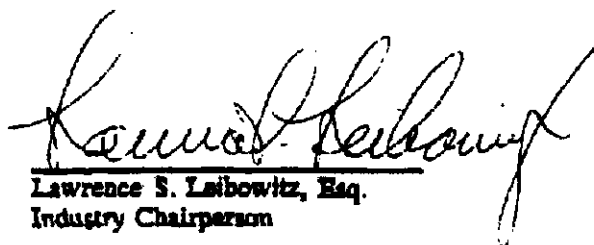
Total Forum Fees: \$1200.00 (2 Session x \$600)

- 1) Respondent is assessed the amount of \$1200.00 representing the total forum fees due, less \$600.00 paid to Claimant, leaving \$600.00 due.

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

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ARBITRATORS' SIGNATURES



Lawrence S. Leibowitz, Esq.
Industry Chairperson

Michael Todd Clements
Industry Arbitrator

Russell A. Jenkins
Industry Arbitrator

Date of decision: September 18, 1996

I, **Lawrence S. Leibowitz, Esq.**, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.


Lawrence S. Leibowitz, Esq.

I, **Michael Todd Clements**, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Michael Todd Clements

I, **Russell A. Jenkins**, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Russell A. Jenkins

NASD Date of Decision: September 18, 1996

ARBITRATORS' SIGNATURES

Lawrence S. Leibowitz, Esq.
Industry Chairperson



Michael Todd Clements
Industry Arbitrator

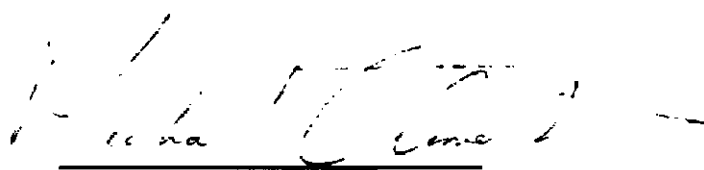
Russell A. Jenkins
Industry Arbitrator

Date of decision: September 18, 1996

I, Lawrence S. **Leibowitz**, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Lawrence S. Leibowitz, Esq.

I, Michael Todd Clements, do hereby **affirm**, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.



Michael Todd Clements

I, Russell A. Jenkins, do hereby **affirm**, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

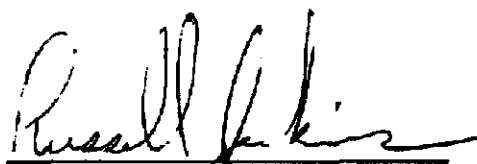
Russell A. Jenkins

Date of Decision: September 18, 1996

ARBITRATORS' SIGNATURES

Lawrence S. kibowitz. Esq.
Industry Chairperson

Michael Todd Clements
Industry Arbitrator

A handwritten signature in cursive script, appearing to read "Russell A. Jenkins", written over a horizontal line.

Russell A. Jenkins
Industry Arbitrator

Date of decision: September 18, 1996

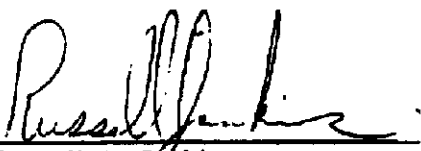
I, Lawrence S. Leibowitz, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Lawrence S. Leibowitz, Esq.

I, **Michael** Todd Clements, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Michael Todd Clements

I, Russell A. Jenkins, do hereby **affirm**, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.



Russell A. Jenkins

NASD Date Of Decision: September 18, 1996