

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

GKN Securities Corporation

95-04877

Name of Respondent

Alfred Caceres

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 16, 1995 Claimant GKN Securities Corporation ("Claimant") through its representative and in-house counsel, Katherine Nathan, Esq., alleged that Respondent Alfred Caceres ("Respondent") commenced employment with it on or about May 4, 1994 and executed a Uniform Application for Securities Industry Registration or Transfer ("U-4") and an Association Agreement ("AA"). Claimant further alleged that the U-4 and the AA provide for the arbitration, at the National Association of Securities Dealers, of any dispute which may arise. Claimant also alleged that pursuant to the AA, Respondent agreed to repay it for certain expenses and/or unsecured customer debits but that Respondent has failed to pay it \$674.90 of the debt he created under this agreement. Claimant contended that Respondent entered a Draw Agreement ("DA") on January 1, 1995 and has failed to repay it \$3,949.00 of the \$4,500.00 he received. Claimant further contended that Respondent executed promissory notes for the \$4,500.00 which are now due and payable. Claimant further contended that Respondent's employment with it ended on March 30, 1995 and that as a result of the above, it has suffered a loss for which the Respondent should be held liable.

Respondent Alfred Caceres failed to file a Statement of Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant GKN Securities Corporation requested \$4,623.90 in actual damages plus interest, costs, attorney's fees and any relief the arbitrator may deem just and proper.

Respondent Alfred Caceres failed to file a Statement of Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

Pursuant to Section 10 of the NASD Code of Arbitration Procedure the Respondent Alfred Caceres was sent the Statement of Claim through regular mail and was given an opportunity to respond which he failed to do. In addition, an overdue answer and notice and notice of the identity of the arbitrator were sent certified mail and were received as evidenced by the signed return receipt card on file at the NASD.

In accordance with the by-laws of the NASD, the arbitrator determined that the Respondent Alfred Caceres has notice of the Statement of Claim and is required to respond; and is, therefore, bound by the arbitrator's ruling and determination.

AWARD

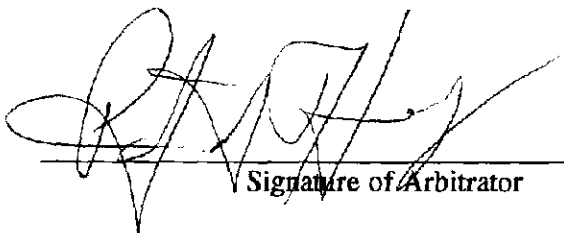
Pursuant to Section 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, Patrick J. Howley, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 29, 1995 and not by the Respondent as is 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. The Respondent Alfred Caceres is liable and shall pay to the Claimant GKN Securities Corporation \$4,623.90 in actual damages.
2. The parties shall bear their respective costs.
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.
4. All other relief requests are denied.

AFFIRMATION

I, **PATRICK J. HOWLEY, ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules that I am the individual described herein and who executed this instrument, which is my award.



Signature of Arbitrator

DATE OF DECISION: May 17, 1996