

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Gilford Securities, Inc.

96-00482

Name of Respondent

Cedric Petersen

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 1, 1996, Claimant Gilford Securities, Inc. ("Claimant") through its representative, Larry Wachler, alleged that in August of 1994, Respondent Cedric Petersen ("Respondent") commenced employment with Claimant as a registered representative. Claimant further alleged that Respondent agreed to arbitrate any dispute arising from his employment. Claimant also alleged that Respondent signed a note evidencing his indebtedness to Claimant in the amount of \$9,791.00 with an interest rate of 6% per annum. Claimant contended that on January 16, 1996, it sent a demand for payment letter to the Respondent for amounts owing on the note which has gone unanswered.

Respondent Cedric Petersen failed to file an answer to the Statement of Claim.

RELIEF REQUESTED

Claimant Gilford Securities, Inc. requested \$9,761.00 in actual damages, interest from August 15, 1995 until payment, costs and other such relief as the arbitrator deems appropriate.

Respondent Cedric Petersen failed to file an answer to the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

Pursuant to Section 10 of the NASD Code of Arbitration Procedure, the Respondent Cedric Petersen was sent the Statement of Claim via regular mail was given an opportunity to respond which he failed to do. In addition, an overdue answer notice and notice of the identity of the arbitrator were sent via certified mail and the signed return receipt card is on file with the NASD.

Pursuant to the by-laws of the NASD, the arbitrator determined that Respondent Cedric Petersen 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, Robert L. Salzberg, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Gilford on January 31, 1996 and not by Respondent Cedric Petersen 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 Cedric Petersen is liable and shall pay to the Claimant Gilford Securities, Inc. \$9,791.00 in actual damages.
2. The Respondent Cedric Petersen is liable and shall pay to the Claimant Gilford Securities, Inc. interest at the rate of 6% per annum from August 15, 1995 to September 11, 1996.
3. The parties shall bear their respective costs.
4. 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 Cedric Petersen is liable and shall pay to the Claimant Gilford Securities, Inc. \$575.00 as reimbursement of the filing fee.

AFFIRMATION

I, **ROBERT L. SALZBERG, ESQ.**, do hereby swear or affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

A handwritten signature in cursive script, appearing to read "Robert L. Salzberg", written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: September 11, 1996