

**AWARD**

**NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION**

**In the Matter of the Arbitration Between**

**Name of Claimant**

Prudential Securities Incorporated

96-00894

**Name of Respondent**

Stan Parks

**REPRESENTATION**

For Claimant: Prudential Securities Incorporated ("Prudential") was represented by Daniel B. Scotti, Esq. of Coffield, Ungaretti & Harris, located in Chicago, Illinois.

For Respondent: Stan Parks ("Parks") did not appear.

**CASE INFORMATION**

Statement of Claim filed: February 27, 1996.

Claimant's Submission Agreement signed on: February 27, 1996 by Steven M. Malina, Vice President and Deputy Midwest Regional Counsel, Prudential Securities Incorporated.

Claimant's Motion to Bar filed: October 29, 1996.

Respondent did not file a Statement of Answer or an executed Submission Agreement.

**HEARING INFORMATION**

Pre-Hearing Conference: None Held.

Hearing Date/Sessions: December 9, 1996 for One (1) hearing session.

Hearing Location: Chicago, Illinois.

**CASE SUMMARY**

Claimant Prudential alleged that Respondent Parks violated the terms of his training agreement by leaving his employment within four years of his hiring and failing to pay the liquidated

damages due Prudential for compensation of the costs of his training. In addition, Parks further violated the agreement by taking and using Prudential's confidential client information to solicit Prudential's customers after his resignation.

### **RELIEF REQUESTED**

Claimant requested entry of an award against Parks for the sum of \$17,067.00 due under the training agreement; the cost of collection, including attorneys' fees as agreed to under Paragraph 4 of the Training Agreement; damages for breach of the non-solicitation provisions of the training agreement; and any other relief as the Panel deemed just.

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

Respondent Parks did not appear at hearing. The Panel reviewed the correspondence filed by the parties, as well as that sent by the Office of Dispute Resolution, and determined that pursuant to Section 10318 of the Code of Arbitration Procedure, Parks was properly served with the Statement of Claim and received due notice of the hearing required by Sections 10314 and 10315 of the Code of Arbitration Procedure. Pursuant to Section 10318, the Panel determined that the arbitration hearing would proceed.

The Panel determined that Claimant's Motion to Bar was moot because of the absence of Respondent Stan Parks.

### **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 Stan Parks is liable for and shall pay to the Claimant, Prudential Securities Incorporated, the sum of \$17,067.00;
2. The parties shall bear their own costs of arbitration, including attorneys' fees, except for those specifically enumerated herein; and
3. Any relief not specifically awarded is hereby denied.

### **OTHER COSTS**

Pursuant to Section 10333 of the Code of Arbitration Procedure, Respondent Prudential Securities Incorporated is liable for and shall pay to the NASD Regulation, Inc., Office of Dispute

Resolution \$200.00 member surcharge.

At hearing, Prudential requested that a witness appear by telephonic testimony. Pursuant to Section 10205(c) of the Code of Arbitration Procedure, Respondent Prudential Securities Incorporated is liable for and shall pay to the NASD Regulation, Inc., Office of Dispute Resolution the sum of \$285.00 as reimbursement of the charge paid for installation and rental of the speaker phone.

### FORUM FEES

Pursuant to Section 10205(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed: One (1) Hearing Session x \$600.00 per session = \$600.00.

The NASD Regulation, Inc., Office of Dispute Resolution shall retain the \$500.00 claim filing fee paid by Claimant Prudential Securities Incorporated. In addition, the Office of Dispute Resolution shall retain the \$600.00 hearing session deposit previously paid by the Claimant, Prudential Securities Incorporated, as forum fees. Respondent Stan Parks is liable for and shall pay to the Claimant, Prudential Securities Incorporated, the sum of \$300.00 as reimbursement of one-half of the forum fees.

Concurring Arbitrators' Signatures  
Name

Date:

/s/ Morgan F. McDonnell  
Morgan F. McDonnell  
Industry Arbitrator  
Chairperson

December 12, 1996

/s/ Susan C. Richards, CFP  
Susan C. Richards, CFP  
Industry Arbitrator

December 18, 1996

/s/ Bradley C. Drake  
Bradley C. Drake  
Industry Arbitrator

December 20, 1996

For Dispute Resolution Only  
Date of Decision: December 27, 1996