

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

147 2 1992

In the Matter of the Arbitration Between

Name of Claimants

Robert & Mary Bestor JTWROS

90-02183

Name of Respondents

Richard Chancis
Financial Clearing and Services Corp.

REPRESENTATION OF PARTIES

Claimant Robert Bestor appeared pro se.

Respondent Richard Chancis appeared pro se.

CASE INFORMATION

The Statement of Claim was filed on or about August 8, 1990.

Claimant's Submission Agreement signed on August 15, 1990 by Robert and Mary Bestor.

Statement of Answer filed by Respondent, Richard Chancis on or about January 22, 1992.

Statement of Answer on behalf of Respondent Financial Clearing and Services Corporation dated October 24, 1990.

Respondent Financial Clearing and Services Corporation's Submission Agreement signed on October 24, 1990 by Gabriel Lotesto.

HEARING INFORMATION

The hearing was held on February 17, 1992 in Dallas, Texas lasting one (1) session and on Monday, May 11, 1992 in Dallas, Texas for one (1) session for a total of two (2) sessions.

CASE SUMMARY

Claimant alleged that Respondent Richard Chancis made an unauthorized purchase of 5,750 shares of Phonetel stock and failed to execute an order to sell 1,100 shares of Meridian stock at the price of \$6.25.

Respondent Richard Chancis denied the allegations set forth in the claims

submitted by the Claimants. Mr. Chancis specifically stated that he had a conversation with Mr. Bestor when the price of Meridian reached \$6.25 and that Mr. Bestor decided not to sell the stock. Mr. Chancis further stated that he agreed with Mr. Bestor that the purchase of Phonetel was an error and immediately attempted to correct the error for Mr. Bestor. Mr. Chancis stated that he was assured by representatives of Financial Clearing and Services Corp. that the matter would be corrected after J.T. Moran ceased operations.

Respondent Financial Clearing and Services Corp. denied the allegations set forth in the claims submitted and stated that it was merely acting as a clearing broker for the parties involved in this dispute. Financial Clearing and Services Corp. stated that as the clearing broker it is responsible only to process submitted information.

RELIEF REQUESTED

Claimants requested an award in the amount of \$22,631.75 and attorneys fees.

Respondent Richard Chancis requested that the claims be dismissed against him.

OTHER ISSUES CONSIDERED & DECIDED

On or about August 14, 1991 the NASD was advised that the claimants had reached a settlement with Respondent Financial Clearing and Services Corporation.

On February 17, 1992, after the Claimant had presented his case and was dismissed by the panel, Respondent Richard Chancis appeared at the hearing situs. He advised the panel that he had previously notified the Claimant that he would be late to the hearing. He further advised the panel that he had also previously notified the NASD Arbitration staff that he would be arriving late to the hearing scheduled for that day. The panel then set a date for a hearing of Mr. Chancis' case. The panel also granted Mr. Chancis and Mr. Bestor the opportunity to appear telephonically. On May 11, 1992, Mr. Bestor appeared live at the hearing and Mr. Chancis appeared and presented his case telephonically.

Respondent Richard Chancis did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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 original(s) 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 Richard Chancis shall be and hereby is liable for and shall pay to the Claimants Robert and Mary Bestor the sum of \$4,600.00 (Four Thousand Six Hundred Dollars).
2. Each party shall bear its own costs and expenses incurred in this matter not specifically enumerated herein.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$150.00 and shall retain the hearing session deposit in the amount of \$350.00 previously deposited with the NASD by the Claimant. Respondent shall pay to the NASD the sum of \$400.00 (Four Hundred Dollars) as forum fees. The NASD shall retain the Respondent Financial Clearing and Services Corp.


Forum fees are calculated at the rate of \$400.00 per hearing session.

The NASD shall assess and Respondent Richard Chancis shall pay to the NASD the sum of \$400.00 as postponement fees pursuant to Section 30 of the NASD Code of Arbitration Procedure.

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

Dated:

May 18, 1992


Arthur H. Gelfand, Esq.
Presiding Chair
Public Arbitrator

J.D. Hall
Public Arbitrator

Charles E. Fath
Industry Arbitrator

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Dated:

Arthur H. Gaffen, Esq.
Presiding Chair
Public Arbitrator

5-18-92

J. D. Hall
Public Arbitrator

Charles E. Fath
Industry Arbitrator

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Dated:

Arthur H. Geffen, Esq.
Presiding Chair
Public Arbitrator

J.D. Hall
Public Arbitrator

5/26/92

Charles E. Fath
Industry Arbitrator

NASD Decision Serial:

6-2-92