

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Maurice Nichols

92-02031

Name of Respondent

Geoff London

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REPRESENTATION

For Claimant at the hearing: Bruce E. Stephens, Esq., Attorney at Law, York, Nebraska.

For Respondent at the hearing: John A. Warchol, Esq. of Warchol, Berndt, Hajek, Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed: June 17, 1992. Claimant's Submission Agreement signed on: June 12, 1992.

Statement of Answer filed by Respondent, Geoff London, on: August 10, 1992. Respondent, Geoff London's Submission Agreement signed on: August 10, 1992.

HEARING INFORMATION

Hearing Date/Sessions: March 2, 1993 for two (2) sessions.

Hearing Location: Omaha, Nebraska.

CASE SUMMARY

Claimant, Maurice Nichols ("Nichols") alleged that Respondent Geoff London ("London") as agent for Integrated Resources Inc., ("Integrated") induced Nichols into making an investment of \$60,000 in a real estate venture with New Concept Homes, ("NCH") which was managed by a Robert Bjorklund. Nichols alleged that London made representations concerning the likelihood of success of the investment, the soundness of the investment, and the past success and trustworthiness of Bjorklund. Nichols alleged that these representations induced him into investing in NCH.

Nichols also alleged that London and Integrated are not licensed to sell securities in Nebraska, that he suffered a loss due to London and Integrated's representations, that London knew he was not experienced in this type of investment and that he had informed London that he wanted sound, long-term growth and income and did not want high risk ventures for both his personal and I.R.A. account investments.

In his Statement of Answer, Respondent London alleged that at no time did he represent to Nichols any facts relative to the investment or the individual with whom the investment was made, other than possibly that London had known such individual for approximately fifteen years and that he knew of another individual who had invested money with Bjorklund. London alleged that he did not manage this investment. London further alleged that he did not receive any compensation from Bjorklund or Nichols in relation to the NCH transaction and he did not participate in the transaction in any substantive manner. London denied making any representations to Nichols regarding the safety, rate of return, or any other details concerning the investment in NCH. London also denied ever soliciting or attempting to or actually inducing Nichols to make the alleged investment in NCH.

#### RELIEF REQUESTED

Claimant requested \$66,446.25 in compensatory damages, which credits Respondents for a \$17,000.00 payment.

Respondent London requested that the arbitration panel deny Claimant's claim and order that Claimant be responsible for all costs associated herewith.

#### OTHER ISSUES CONSIDERED & DECIDED

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.

Integrated Resources, Inc. was originally a Respondent to the claim. After filing for bankruptcy under Chapter 11 of the U.S. Bankruptcy Code, all matters concerning Integrated Resources, Inc. were indefinitely stayed.

#### 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. The Statement of Claim is denied;
2. Each of the parties shall bear their own costs and expenses incurred, other than those specifically enumerated for herein.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:


2 sessions X \$500 = \$1,000 minus hearing session deposit of \$500 = net \$500 due.

Additional Forum fees are assessed against Respondent Geoff London in the sum of \$500.

Additional Forum Fees assessed by the panel are payable to the National Association of Securities Dealers, Inc.

By the Arbitration Panel:

Dated:

  
\_\_\_\_\_  
Stephen B. Gehring  
Chairperson  
Public Arbitrator

4/8/93

\_\_\_\_\_  
John C. Burke, Esq.  
Public Arbitrator

\_\_\_\_\_  
Gerald J. Stratman  
Industry Arbitrator

Date Award Served by the NASD: \_\_\_\_\_

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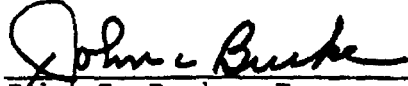
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Stephen E. Gehring  
Chairperson  
Public Arbitrator

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John C. Burke, Esq.  
Public Arbitrator

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*April 9, 1993*

\_\_\_\_\_  
Gerald J. Stratman  
Industry Arbitrator

Date Award Served by the NASD: \_\_\_\_\_

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Gerald J. Stratman  
Industry Arbitrator

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4-12-93

Date Award Served by the NASD: \_\_\_\_\_