

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

James V. Blanch

93-00539

Name of Respondent

FBS Investment Services, Inc.
William L. Crumb

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 12, 1993, Claimant James V. Blanch, through his counsel James F. Engelking, Esq., Denver, CO, alleged that Respondent William Crumb of the Respondent firm FBS Investment Services, Inc. recommended an unsuitable investment, when he convinced the Claimant to invest his money in Fund for U.S. Government Securities, Inc. rather than rollover the then existing CD's. The Claimant further alleged that the nature of this investment was not adequately disclosed to the Claimant, that he did not receive a current prospectus, and that he had to sell the fund to prevent losses. Claimant James Blanch contended that the Respondents should be held liable for his losses.

Respondents FBS Investment Services, Inc. and William L. Crumb, through their in-house Counsel, M. Erin O'Rourke, maintained that they acted in good faith in handling the Claimant's account and deny all allegations of wrongdoing. The Respondents further maintained that the Claimant received adequate disclosure, including a prospectus, and that the nature of the investment and its risks were correctly and fairly described to the Claimant. The Respondents contended that this was a suitable investment for the Claimant, and that he has not been harmed in anyway.

RELIEF REQUESTED

Claimant James V. Blanch requested \$9,446.34 in actual damages, plus interest, costs and attorney's fees.

Respondents FBS Investment Services, Inc. and William L. Crumb requested that the claims of the Claimant be dismissed.

AWARD

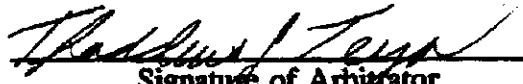
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Thaddeus J. Tecza, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on February 8, 1992, by the Respondent FBS Investment Services, Inc. on April 14, 1993 and by Respondent William L. Crumb on March 29, 1993.

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 claims of the Claimant James V. Blanch against Respondents FBS Investment Services, Inc. and William L. Crumb are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent FBS Investment Services, Inc. is liable and shall pay \$75.00 to the Claimant as reimbursement of one-half of the filing fee.

AFFIRMATION

I, THADDEUS J. TECZA, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument which is my oath and award.


Signature of Arbitrator

DATE OF DECISION: July 14, 1993