

NASD Arbitration & Mediation

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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

W. Knight Fairchild

95-05700

Name of Respondent

Edwin Bell

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 5, 1995, Claimant W. Knight Fairchild ("Claimant"), who appeared Pro Se, alleged that Respondent Edwin Bell fraudulently sold to him stock in a new brokerage firm that he was starting. Claimant further alleged that he first dealt with Respondent, then of M. Rimson & Co., when he bought 500 shares of Robotics Industries. Claimant contended that when he received confirmation, it was for shares of Latin American Resources ("LAR") instead, and that Respondent's explanation was that LAR was a better deal. Claimant further contended that Respondent moved to Security Planners ("SC"), and at his suggestion, Claimant transferred his shares of LAR, and 2875 shares of CECO which were held at McKee & Co., to SC. Claimant maintained that Respondent, without authorization, sold all his shares of CECO for \$6,748.00, and then convinced him to buy \$6,500 worth of shares in a new brokerage firm that he was starting. Claimant alleged that he later received a call from Gene McGowan, who told him that the Respondent was a "crook" and to stop payment on his check. Claimant further alleged that he was issued a certificate for shares of Willingham Securities, and then made futile attempts to call Respondent's office to sell the stock, and that as a result of the above, he has suffered a loss for which the Respondent should be held liable.

Respondent Edwin Bell, who appeared Pro Se, maintained that he was employed by M. Rimson but that he never spoke to or met with Claimant and that he never made any trades for him. Respondent further maintained that he has never been registered in Rhode Island, where Claimant resides and that he does not know a Gene McGowan. Respondent contended that he was never employed or had an office at Willingham Partners and therefore, he should not be held liable.

RELIEF REQUESTED

Claimant W. Knight Fairchild, requested \$6,500.00 in actual damages, plus interest and costs.

Respondent Edwin Bell, requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Francis J. Feeney, Jr. Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on November 30, 1995, and by the Respondent Edwin Bell on January 11, 1996.

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 W. Knight Fairchild against Respondent Edwin Bell 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.

AFFIRMATION

STATE OF Massachusetts

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SS:

COUNTY OF Suffolk

I, Francis S. Feeney, Jr., 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: April 30, 1996