

MSRB
MUNICIPAL SECURITIES RULEMAKING BOARD

RECEIVED
MAY 18 1992

MSRB

In the Matter of the Arbitration between :
: W.A. WOOD, :
: Claimant, : AWARD
: v. : MS 91-31
: A. JACK BURNEY and :
: FIRST AMERICAN SECURITIES, INC., :
: Respondents. :
:

The Undersigned, pursuant to section 31 of MSRB rule G-35, hereby states as follows:

CASE SUMMARY

Claimant alleges, among other things, that Respondent A. Jack Burney, a representative of Respondent First American Securities, Inc., failed to provide Claimant with all material information necessary for Claimant to make an informed investment decision, in connection with the sale to Claimant on or about September 17, 1990, of \$25,000 face amount of the Industrial Development Authority of the County of Prince William (Virginia) Industrial Development Revenue Bonds (Best Products Co., Inc. Fairfax Project) Series A, Dated November 1, 1980, 10.750%, Due November 1, 2010 (the "Bonds").

Respondents deny Claimant's allegations concerning any failure to disclose or any misrepresentation. Respondents argue, among other things, that at the time of sale Claimant sought to deceive Respondents and negotiate the purchase price for the Bonds by representing to Respondents that he was as familiar or was more familiar with the Bonds than were Respondents, and that Respondents relied upon such representations. Respondents also argue that Claimant was provided with all the information that he contends was not disclosed to him concerning the Bonds via the Official Statement.

RELIEF REQUESTED

Claimant seeks to rescind the trade and be awarded his purchase price of \$24,937.50 plus accrued interest to date of settlement.

Respondents request that the Statement of Claim be dismissed and that Respondents be awarded their costs, attorneys' fees and any other relief to which they are entitled.

AWARD

On May 6, 1992, in Richmond, Virginia, the undersigned arbitrator heard the controversy between the parties set forth in submissions to the arbitrator signed by Claimant on April 29, 1991 (filed with the MSRB on May 2, 1991) and by Respondents on November 11, 1991. The undersigned, having considered the pleadings, the testimony and the evidence presented at the hearing, has determined, in full and final resolution of the issues submitted for determination, as follows:

1. The claims of the Claimant shall be dismissed in their entirety.
2. Each of the parties shall bear its own costs, including attorneys' fees.
3. Claimant's \$400 arbitration deposit shall be retained by the MSRB as forum fees, pursuant to section 2 of MSRB rule A-16.

Public Arbitrator

Dated: 5/13/92

STATE OF New York
COUNTY OF ~~Corn~~ New York

ss.:

On this 13th day of May, 1992, before me personally appeared _____ to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

Jill F. Hunter

JILL F. HUNTER
NOTARY PUBLIC, State of New York
No. 4919797
Qualified in New York County
Commission Expires Jan 19, 1994

AWARD

On May 6, 1992, in Richmond, Virginia, the undersigned arbitrator heard the controversy between the parties set forth in submissions to the arbitrator signed by Claimant on April 29, 1991 (filed with the MSRB on May 2, 1991) and by Respondents on November 11, 1991. The undersigned, having considered the pleadings, the testimony and the evidence presented at the hearing, has determined, in full and final resolution of the issues submitted for determination, as follows:

1. The claims of the Claimant shall be dismissed in their entirety.
2. Each of the parties shall bear its own costs, including attorneys' fees.
3. Claimant's \$400 arbitration deposit shall be retained by the MSRB as forum fees, pursuant to section 2 of MSRB rule A-16.



Stuart M. Fischman

Dated: 5/13/92

STATE OF New York
COUNTY OF ~~Coun~~ New York

ss.:

On this 13th day of May, 1992, before me personally appeared Stuart M. Fischman to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



JILL F. HUNTER
NOTARY PUBLIC, State of New York
No. 4919797
Qualified in New York County
Commission Expires Jan. 19, 1994