

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Gary S. Goltz
Sharon R. Goltz

vs.

Amtax Management Corporation Respondents
M. Walter Levine

CASE NO. 87-01184

SUMMARY OF ISSUES

This case was filed on July 2, 1987. Claimant alleged Respondents fraudulently misrepresented two limited partnership investments as suitable for Claimant's financial position and investment objectives. Respondents denied the allegations and asserted that the investments were suitable based on the financial information provided by Claimant.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of \$96,000, rescission of the transaction, plus interest, punitive damages and attorney's fees. Respondents requested that Claimant be awarded nothing. Respondents also asserted a counterclaim for \$122,281.00 on the note held by Amtax Equipment Leasing, and also requested an award of attorney's fees.

DAMAGES AND RELIEF AWARDED

On November 7 and 8, 1989 in Los Angeles, California, the undersigned arbitrators heard the controversy in four (4) sessions between the parties as set forth in submissions to arbitration signed by Claimants on June 24, 1987 and by Respondents on August 24, 1987. The arbitration panel, 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. On the suitability claim, the investments were not suitable, but Claimant concealed his net worth from Respondents.
2. On the non-disclosure claim regarding the equipment leasing deal, disclosure was inadequate and incomplete.
3. With reference to supervision, it was incomplete and inadequate.
4. All claims of Claimant are dismissed because:
 - (a) Claimant misled Respondents by filing false financial disclosure statements giving rise to his complaint.

(b) Claimant is estopped from claiming damages because of lack of proper disclosure stemming from his own conduct in failing to read disclosure documents.

(c) Claimant has failed to carry the burden of proof to establish damages.

The parties shall each bear their respective costs including attorneys' fees.

Pursuant to Section 43 of National Association of Securities Dealers, Inc. ("NASD") Code of Arbitration Procedure, the NASD shall retain the \$750.00 filing fee previously deposited by the Claimant.

OTHER ISSUES

1. Respondents are assessed forum fees in the amount of \$750.00, which should be made payable to the National Association of Securities Dealers, Inc., through its staff representative.

2. Respondents' attorney withdrew the counterclaim on the note at the hearing.

ARBITRATORS CONCURRING

DATE SERVED: 12/07/89

George M. Wiener
George Wiener, Esq.

