

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Jeffrey and Randee Binstock                      Claimants

vs.

Carol Lefcourt  
Lefcourt Financial Group, Inc.                      Respondents

Award

CASE NO. 88-03352

SUMMARY OF ISSUES

This claim was filed on October 28, 1988. Claimant alleged: unsuitability, misrepresentation, breach of fiduciary duty and liability under the doctrine of Respondeat Superior with respect to the sale of Royal Gate Associates (RGA) Real Estate Limited Partnership.

Respondents denied the claims in their entirety and alleged the following affirmative defenses: 1) failure to state a claim for relief, 2) claimants were, or should have been, fully aware of the risks of the investment, 3) claimants knowingly and willingly assumed the risks, 4) claims barred by applicable state or federal statutes of limitation, 5) claimants waived and are estopped to assert any claims, 6) if respondents were in any way at fault, the fault of other persons must be compared and respondents' fault reduced proportionately, 7) claimants ratified actions and transactions about which they complain, and 8) claim barred since there is no private right of action for any violations of the suitability.

DAMAGES AND RELIEF REQUESTED

Claimants alleged damages as follows:

1.    Compensatory damages in the amount of \$50,680.00.
2.    Interest in the amount of \$35,000.00.
3.    Punitive damages of an unspecified amount.

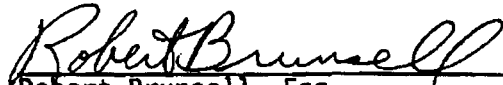
**DAMAGES AND RELIEF AWARDED**

On January 3 and 4, 1990 in San Francisco, California, the undersigned arbitrators heard the controversy in four sessions between the parties as set forth in submissions to arbitration signed by Claimants on October 4, 1988 and by Respondents on January 16, 1989. 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. Each and every claim is dismissed.
2. The claim for punitive damages is dismissed.
3. The parties shall each bear their respective costs including attorneys' fees.
4. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$500.00 filing fee previously deposited by the Claimant.

**ARBITRATORS CONCURRING**

DATE SERVED: 01/17/90

  
Robert Brunzell, Esq.

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Leonard Greenwold

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James C. Ferguson