

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Lida B. Crubaugh

93-03000

Name of Respondents

Phillipe D. Steinitz
Biltmore Securities, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 3, 1993, Claimant Lida B. Crubaugh, who appeared Pro Se, alleged that Respondent Biltmore Securities, Inc. through its broker, Respondent Phillipe D. Steinitz, failed to follow her instructions to liquidate her shares of Healthcare Imaging Services and Judicate stock, as he was instructed to do in accordance with the stop loss orders that had been placed on her account. The Claimant contended that she incurred more losses than she was willing to accept due to the fact that her "good till cancelled stop loss order(s)" were not adhered to, and that, therefore the Respondents should be held liable for these losses.

Respondents Biltmore Securities, Inc. and Phillipe Steinitz, through their in-house representative, Katherine Nathan, maintained that it was not possible to place stop loss orders on either of the securities in question, since they are not listed securities, and further, that Respondent Steinitz agreed to call the Claimant to discuss the situation of her Healthcare stock if it should decrease by ten percent, which he did. The Respondents further maintained that the Claimant's losses were due to market conditions, not misconduct and that the Claimant is fully responsible for the consequences of her own investment decision.

RELIEF REQUESTED

Claimant Lida B. Crubaugh requested \$4,925.00 in actual damages.

Respondents Biltmore Securities, Inc. and Phillipe Steinitz requested 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, David M. Bosko, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 29, 1993, by the Respondent Phillippe Steinitz on October 8, 1993 and by Respondent Biltmore Securities, Inc. on October 8, 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 Lida B. Crubaugh against Respondents Biltmore Securities, Inc. and Phillippe Steinitz are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, DAVID M. BOSKO, ESQ., 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: March 29, 1994