

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the Matter of the Arbitration Between

BARBARA GOLDSTEIN,

Claimant,

v.

NASD No. 93-3368

RICHARD CARSON and
GREAT AMERICAN SECURITIES, INC.,

Respondents.

Representation

For Claimant: Edward Russey, Esq. of Investors Arbitration Services, Woodland Hills, CA

For Respondent Richard Carson and Great American Securities: Richard Pech, Esq. and Neil Anapol of Law Offices of Richard Pech, Los Angeles, CA

Case Information

Statement of Claim and First Amended Claim filed: August 17, 1993 and June 27, 1994, respectively.

Claimant's Submission Agreement signed: August 17, 1993

Statement of Answer filed on: Respondent Great American Securities on October 20, 1993 and Respondent Richard Carson on October 28, 1993

Respondent's Submission Agreement signed on: Great American Securities and Richard Carson on October 28, 1994

Hearing Information

Prehearing Conference Date(s)/Sessions: None

Hearing Date/Sessions: July 21, 1994/two

Hearing Location: Los Angeles, CA

Case Summary

Claimant alleged:

Fraud, deceit, misrepresentation and omission of material facts, lack of suitability, failure to supervise, violation of California Securities law, California Welfare and Institutions Code Sections 15600 et seq., negligence, breach of implied covenant of good faith and fair dealing and violation of Section 10(b) and Rule 10(b)-5 of the Securities and Exchange Act of 1934 in the purchase of limited partnerships.

Claimant is a widow, 70 years old, with fixed income of approximately \$586 per month. Her husband was 74 years old upon his death, had been disabled for 37 years due to an industrial accident and had no long-term health insurance. Because of his medical condition, claimant's husband had been unable to qualify for health insurance, incurred extensive medical bills and the Goldsteins did not have many other resources to meet living expenses.

Respondent Great American Securities, Inc. alleged:

Claimant made her investments based on a generally good understanding of their level of risk. Claimant and her husband reviewed the offering material and were sophisticated in their analysis of the investments. The marketing literature regarding the investments contained very specific disclosures. The documents making those disclosures were signed as understood and accepted by claimant.

Respondent Richard Carson (hereinafter, Carson) alleged:

Carson met claimant when she came to one of his seminars. He explained details of the proposed investments to her and her husband, including the risks. Both claimant and her husband indicated understanding the investment and said they were comfortable with the risk-reward ratio. It was obvious that claimant's husband had a physical disability, but nothing indicated he was mentally impaired.

Relief Requested

Claimant requested:

1. Rescission of the investments, or, in the alternative, compensatory damages of \$25,000;
2. Interest at the maximum rate allowed by law from the date of the original

investment;

3. Costs, including expenses.

Other Issues Considered and Decided

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

Award

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claim against respondents on the count alleging damages in the Ved Corporation Projects is denied and she is to take nothing thereby;
2. Respondents are jointly and severally liable for and shall pay claimant the sum of \$17,032.26 in damages on the count set forth in the Hill Williams investments
3. The parties shall each bear their respective attorney's fees;
4. The parties shall each bear their respective costs.

Other Costs

None.

Forum Fees

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc., shall retain the \$400 hearing session deposit previously paid by the claimant. Forum fees are assessed against:

Claimant for \$400, minus \$400 paid as a hearing deposit, leaving a balance of zero;
Respondents, jointly and severally, for \$400,

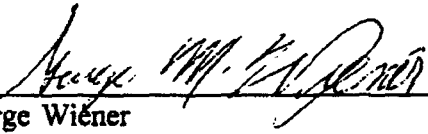
calculated as follows: two hearing sessions at \$400/hearing session, equals \$800, minus \$400 already paid by the claimant as a hearing deposit.

Fees are payable to the National Association of Securities Dealers, Inc.

Arbitration Panel

<i>Name</i>	<i>Public/Industry</i>
George Wiener	Public
Arnold Wuhrman	Public
Joseph Tillotson	Industry

Concurring Arbitrators' Signatures



George Wiener

Arnold Wuhrman

Joseph Tillotson

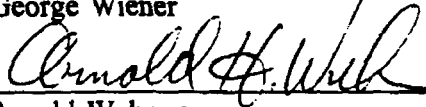
Date of Decision:

Arbitration Panel

<i>Name</i>	<i>Public/Industry</i>
George Wiener	Public
Arnold Wuhrman	Public
Joseph Tillotson	Industry

Concurring Arbitrators' Signatures

George Wiener



Arnold Wuhrman

Joseph Tillotson

Date of Decision:

Arbitration Panel

Name	Public/Industry
George Wisner	Public
Arnold Wuhrman	Public
Joseph Tillotson	Industry

Concurring Arbitrators' Signatures

Arnold Wuhrman

Joseph Tillotson

Joseph M Tillotson

Date of Decision:

July 28, 1994