

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Albert Bianco

94-02033

Name of Respondents

J.W. Bullard & Co, Inc.
Securities Planners, Inc.
Mo Silver
J. W. Bullard

REPRESENTATION

For Claimant Albert Bianco ("Claimant") appeared Dan A. Druz, Esq. a sole practitioner in Sea Girt, NJ.

For Respondent Securities Planners, Inc. (Securities Planners) appeared M. David Sayid, Esq. of Sayid & Associates of New York, NY.

Respondent Mo Silver appeared pro se.

Respondents J. W. Bullard and J.W. Bullard & Co., Inc. did not appear.

CASE INFORMATION

The Statement of Claim was filed on May 24, 1994. An Amended Statement of Claim was filed on April 22, 1996. Claimant's Submission Agreement was signed on May 26, 1994.

A Statement of Answer was filed by Respondent Securities Planners on October 14, 1994. Respondent Securities Planners's Submission Agreement was signed on November 1, 1994.

A Statement of Answer was filed by Respondent Moshe Silver on May 8, 1996. Respondent Silver failed to file a properly executed Submission Agreement.

Respondents J. W. Bullard and J.W. Bullard & Co., Inc. failed to submit a Statements of Answer and Submission Agreements.

HEARING INFORMATION

Pre-Hearing Conference:	March 25, 1996	1 Session
	July 18, 1996	1 Session
Hearing Dates/Sessions:	February 14, 1996	1 Session

May 29, 1996
December 3, 1996

1 Session
1 Session

The Hearings were held at the NASD offices located in New York, NY.

CASE SUMMARY

Claimant stated that he maintained an account with the Bullard Division of Portfolio Asset Management. Claimant alleged that respondents were fraudulent and negligent in the handling of his account and breached their fiduciary and contractual duties owed claimant in recommending the purchase and sale of certain securities. Claimant further alleged that respondents had misrepresented or failed to state material facts regarding the investments.

Claimant contended he purchased the following securities based on the representations of the various Mo Silvers: Beres Industries Inc., N-Viro Recovery Inc., Ames Department Stores, Alpnet Inc., La Teko Resources, and Tirex America Inc. According to claimant respondents recommended these investments without reasonable grounds to expect them to achieve claimant's investment objectives.

Claimant argued and asserted that Mo Silver was the Director of Compliance and knew or should have known that numerous other registered representatives were using his name in dealing with the claimant. Claimant also argued that this activity was permitted by Bullard in order to allow non-registered cold-callers to open new accounts.

Respondent Securities Planners alleged that the disputed transactions were executed by J.W. Bullard & Co. Inc. and not Securities Planners. Respondent Securities Planners stated that on April 25, 1994 Bullard accepted a position with them as a registered representative and that he transferred his accounts to Securities Planners. Furthermore, Respondent stated that pursuant to their agreement with Bullard they were not to incur any debts, lawsuits or arbitrations in connection with the transfer of accounts. On September 22, 1994 Bullard voluntarily terminated his association with Securities Planners.

Respondent Silver stated he was not the Director of Compliance, a top executive nor was he the initial registered representative who handled claimant's account. Silver categorically and vigorously denied that he knew, approved, instructed or derived any benefit from anyone else using his name to solicit business. Silver further denied that he defrauded or manipulated claimant's account nor that knowingly or willfully misstated or omitted material facts.

Silver maintained that he was not a control person at Bullard & Co. and that claimant's account was opened by Raymond Brown prior to his employment at portfolio Asset Management/Bullard Division. In early 1993, Silver claimed that Bullard asked Silver to take over claimant's account and that when he did he called claimant to ascertain his knowledge about the penny stocks he was holding in several accounts at other brokerage houses.

Silver alleged, in a counterclaim, that claimant's case amounted to an abuse of the regulatory process since he had not followed standard industry practice of letting the firm know of his grievance.

RELIEF REQUESTED

Claimant requested \$75,000 in actual damages, costs and expenses and other such relief as the panel deems just and proper.

Respondent Securities Planners requested the claim be dismissed with prejudice.

Respondent Silver requested \$1 million in restitution for the fraudulent and malicious lies and made a motion to dismiss.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Moshe Silver was dismissed during the arbitration and withdrew all of his counterclaims.

The Arbitrators made the following rulings concerning Respondents J.W. Bullard & Co., Inc. and J.W. Bullard who failed to submit Statements of Claim and properly executed Submission Agreements and Moshe Silver who failed to file a properly executed Submission Agreement:

1. Pursuant to Rule 10101 of the Code of Arbitration procedure (the "Code"), the panel found subject matter jurisdiction over this entire controversy.
2. The panel found that J.W. Bullard & Co., Inc. was a member of the NASD at the time the controversy arose and consequently the panel found jurisdiction over it.
3. The panel found that J.W. Bullard and Moshe Silver were associated persons of a member of the NASD at the time the controversy arose and therefore, the panel found personal jurisdiction over them pursuant to Rule 10301 of the Code.
4. In view of (2) and (3) above, the panel found that the respondents were required to file with the NASD properly executed Submission Agreements pursuant to Rule 10314 of the Code.
5. In accordance with Rules 10310, 10315 and 10318 of the Code, the panel found the NASD provided J.W. Bullard and J.W. Bullard & Co., Inc. with due notice of the hearing conducted in this matter by certified and regular mail. The panel determined to proceed with the hearing without Respondents J.W. Bullard and J.W. Bullard & Co., Inc., whose absences were unexcused.

The arbitrators ruled that Buttonwood Securities and Ted McKay were not given proper notice as required by Rules 10310 and 10315 and therefore dismisses the claims against them without prejudice.

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. Respondent J.W. Bullard be and hereby is liable to Claimant Bianco in the sum of \$75,276.00.
2. All other claims are hereby dismissed.

FORUM FEES

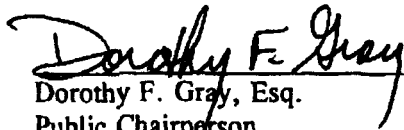
Pursuant to Section 10332 of the Code of Arbitration Procedure, the following Forum Fees are assessed:

2 Pre-hearing sessions x \$300	= \$ 600.00
3 Hearing sessions x \$500	=\$1,500.00
less claimant's hearing session deposit	=\$ 500.00
Total now due	=\$1,600.00

The arbitrators have determined that the entire cost of the arbitration be assessed against Claimant Bianco. Therefore, Claimant Bianco is liable to the NASD in the sum of \$1,600.00.

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

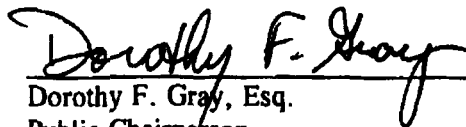
ARBITRATORS' SIGNATURES


Dorothy F. Gray, Esq.
Public Chairperson

Thomas A. Turley
Industry Arbitrator

Neil J. Carey
Public Arbitrator

I, Dorothy F. Gray, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


Dorothy F. Gray, Esq.
Public Chairperson

I, Thomas A. Turley, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Thomas A. Turley
Industry Arbitrator

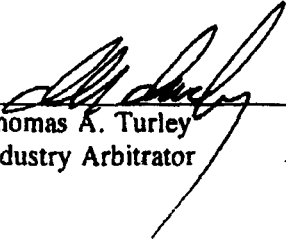
I, Neil J. Carey, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Neil J. Carey
Public Arbitrator

Date of Decision: January 16, 1997

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Dorothy F. Gray, Esq.
Public Chairperson



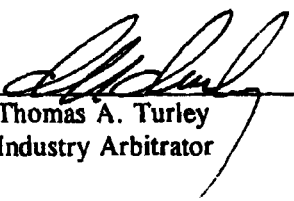
Thomas A. Turley
Industry Arbitrator

Neil J. Carey
Public Arbitrator

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Dorothy F. Gray, Esq.
Public Chairperson

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Thomas A. Turley
Industry Arbitrator

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Neil J. Carey
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Neil J. Carey
Public Arbitrator

Date of Decision: January 16, 1997