

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Robert H. Cooper

95-02075

Name of Respondents

Biltmore Securities Inc.
Michael Steinberg

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on April 28, 1995, Claimant Robert H. Cooper, who appeared Pro Se, alleged that Respondents Biltmore Securities Inc. ("BSI") and Michael Steinberg ("Steinberg"), caused Claimant to establish a trading account at BSI on or about April 8, 1994. Claimant further alleged that from April to October 1994, Respondents purchased for Claimant several under performing securities investments, including the purchase of 7,200 shares of Dollar Time Group, Inc. at \$1.375. Claimant contended that Respondent Steinberg misrepresented both the risk and potential gains, and misrepresented the Respondent firm's biased position as market maker for this stock to Claimant. Claimant further contended that, as a result of the above, he has suffered a loss for which the Respondents should be held liable.

Respondents Biltmore Securities Inc. and Michael Steinberg, through their counsel, Marc J. Ross, Esq., maintained that in all transactions, including the Dollar Time purchase, Respondents advised Claimant of all risks, rewards and past performance of the company, and that Claimant authorized and ratified the purchase. Respondents further maintained that Claimant is an experienced investor, who never contested the disputed purchase on a timely basis, and who continues to hold the stock in his portfolio. Respondents contended that it is unfortunate that Claimant experienced a loss in his account, however, the transactions were executed with his authority and with his full knowledge of the risks associated therewith, and that therefore, should not be held liable in this matter.

RELIEF REQUESTED

Claimant Robert H. Cooper requested \$9,900.00 in actual damages.

Respondents Biltmore Securities Inc. and Michael Steinberg requested that the claims of the Claimant be dismissed in their entirety.

AWARD

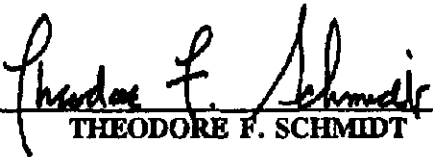
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Theodore F. Schmidt, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Robert H. Cooper, on April 3, 1995, and by the Respondent Michael Steinberg, on August 22, 1995, but not signed by Respondent Biltmore Securities Inc. as required by Sections 12 and 13 of the NASD Code of Arbitration Procedure.

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 Robert H. Cooper, against Respondents Biltmore Securities Inc. and Michael Steinberg, are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Robert H. Cooper, shall be retained by the NASD, Inc.

AFFIRMATION

I, **THEODORE F. SCHMIDT**, 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.



THEODORE F. SCHMIDT

DATE OF DECISION: February 15, 1996