

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Gregory Plotkin

NASD Arbitration
No. 95-04148

Name of Respondents

Biltmore Securities, Inc., Howard Gostfrand and Paul L. Burton

REPRESENTATION

For Claimant: Deborah Klar, Esq.
Miller & Holguin
Los Angeles, California

For Respondents: Peri Erlanger
Bernstein & Wasserman
New York, New York

CASE INFORMATION

Statement of Claim filed: August 29, 1995

Claimant's Submission Agreement signed: August 24, 1995

Statement of Answer filed by Respondents: October 26, 1995

Respondent Biltmore Securities' Submission Agreement signed: May 14, 1996

Respondent Howard Gostfrand's Submission Agreement signed: May 9, 1996

HEARING INFORMATION

Pre-Hearing Conference Date / Session: May 1, 1996 (1 session)

Hearing Dates / Sessions: May 21, 1996 (2 sessions)
May 22, 1996 (2 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondents committed intentional misrepresentation, negligent misrepresentation, breach of fiduciary duty, negligence and violations of §§ 25503, 25504 and 25504.1 of the California Corporations Code. Specifically, Claimant asserted that Respondents knew that Claimant was an unsophisticated customer but nevertheless pressured Claimant into buying highly speculative and risky securities which were not consistent with Claimant's investment objectives.

Respondents denied each of Claimant's allegations.

RELIEF REQUESTED

Claimant sought damages in the amount of \$100,000.00, plus interest thereon at the rate of 10% per annum, punitive damages in an amount to be determined by the Arbitration Panel, rescission of the purchase and recovery of the initial purchase price of \$100,000.00, interest on the original purchase price at the legal rate, costs of suit, and attorneys' fees.

Respondents requested dismissal of all claims against them, and sought costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Paul L. Burton did not submit a Uniform Submission Agreement nor did he appear for the arbitration. However, he was represented by the other Respondents' counsel and did submit an answer in response to Claimant's Statement of Claim.

The parties have agreed that the Award in this matter may be executed in either 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 original remains 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. All claims by Claimant, including claims for punitive damages, are dismissed.
2. Each party shall bear their respective costs, including attorneys' fees.
3. All forum fees are to be split between Claimant and Respondents.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

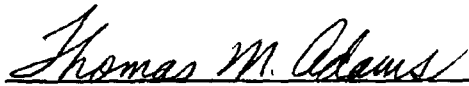
One Pre-Hearing Conference @ \$300.00 / Session	=	\$300.00
<u>Four Hearing Sessions @ \$500.00 / Session</u>	=	<u>\$2,000.00</u>
Total Forum Fees Assessed	=	\$2,300.00
 Claimant's One-Half Share	=	 \$1,150.00
<u>Credit for Hearing Session Deposit</u>	=	<u>\$500.00</u>
Claimant's Balance Due	=	\$650.00
 <u>Respondents' One-Half Share (to be assessed jointly and severally)</u>	=	 <u>\$1,150.00</u>
Respondents' Balance Due	=	\$1,150.00

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Thomas M. Adams, Esq.	Public Arbitrator
Luther Delano Prater	Industry Arbitrator
Ian M. Grant	Public Arbitrator

Concurring Arbitrators' Signatures



Thomas M. Adams, Esq.

Luther Delano Prater

Ian M. Grant


Date of Decision: _____

ARBITRATORS

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