

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Delores Levitan, Levitan Family Trust and Steven E. Levitan

v.

NASD Arbitration
No. 95-05131

Name of Respondents

RAF Financial Corporation and Robert F. Blake

REPRESENTATION

For Claimant:

Leonard Steiner, Esq.
Steiner & Libo
Beverly Hills, California

For Respondents:

Russell C. Burk, Esq.
RAF Financial Corporation
Denver, Colorado

CASE INFORMATION

Statement of Claim filed:

October 30, 1995

Claimant's Submission Agreements signed:

October 20, 1996, October 21, 1996,
and November 11, 1995

Joint Statement of Answer filed by Respondents:

January 9, 1996

Respondents' Submission Agreements signed:

January 8, 1996

HEARING INFORMATION

Pre-Hearing Conference Date / Session: October 22, 1996 (1 Session)

Hearing Dates / Sessions: November 5, 1996 (2 Sessions)
November 6, 1996 (2 Sessions)
November 7, 1996 (2 Sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants alleged that Respondents breached their contract with Claimants, breached their fiduciary duty owed to Claimants, committed common law fraud, violated federal and state securities regulations concerning fraud and supervisory responsibilities, engaged in common law negligence and churning, and violated state consumer protection laws.

Respondents denied the allegations of wrongdoing found in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants sought compensatory damages of \$150,000.00 and punitive damages of \$500,000.00.

Respondents requested that the Claimants' claims be dismissed with prejudice.

OTHER ISSUES CONSIDERED AND DECIDED

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. Respondents RAF Financial Corporation and Robert F. Blake are jointly and severally liable to and shall pay Claimants the sum of \$77,100.00.
2. Claimants' claim for interest damages is denied in its entirety.
3. Claimants' claim for punitive damages is denied in its entirety.
4. The parties shall each bear their respective costs, including attorney's fees.

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>Six hearing sessions @ \$1,000.00/session</u>	<u>= \$6,000.00</u>
Total Fees Assessed:	= \$6,300.00
 Claimants' one-half share	 = \$3,150.00
<u>Credit for hearing session fees</u>	<u>= \$1,000.00</u>
Claimant's Balance Due	= \$2,150.00
 <u>Respondents' joint and several one half share</u>	 <u>= \$3,150.00</u>
Respondents' Balance Due	= \$3,150.00

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

ARBITRATORS

Name **Public / Industry**

Michael W. Burnett, PHD.....Industry

Robert S. Granas..... Public

Merton A. Bobo, Esq.....Public

Concurring Arbitrators' Signatures



Robert S. Granas

Michael W. Burnett, PHD.

Merton A. Bobo, Esq

Date of Decision: _____

Date of Service: _____

ARBITRATORS

Name Public / Industry


Michael W. Burnett, PHD Industry

Robert S. Granas Public

Merton A. Bobo, Esq Public

Concurring Arbitrators' Signatures

Robert S. Granas



Michael W. Burnett, PHD.

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Michael W. Burnett, PHD.....Industry

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Merton A. Bobo, Esq.....Public

Concurring Arbitrators' Signatures

Robert S. Granas

Michael W. Burnett, PHD.



Merton A. Bobo, Esq

Date of Decision: 12/04/96

Date of Service: 12/04/96