

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimants

Richard A. and Lynallen Yehl

96-00670

Name of Respondents

J.W. Gant and Associates, Inc.  
Vadim Mostovoy

---

**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on February 14, 1996, claimants Richard A. and Lynallen Yehl ("claimants"), through their representative and counsel Michael A. Yehl of the law firm John W. Beckman & Associates, located in Westfield, New York, alleged that respondents J.W. Gant and Associates, Inc. ("J.W. Gant") and Vadim Mostovoy ("Mostovoy")(collectively referred to as "respondents") sold them one poor investment after another without consideration of the affect it would have on them as small investors. Claimants further alleged that Mostovoy was a con artist who was merely duping them into repeatedly buying and selling questionable stocks without advising them of the risks they were taking. Claimants also alleged that on January 21, 1992, they received a unsolicited call from Mostovoy stating that Boca Raton stock was a great opportunity. Claimants contended that in April 1992, they received Boca Raton's annual report for 1991, which stated that there was substantial doubt about the company's ability to continue as a going concern. Claimants contended that they were lead to believe that their was an opportunity of growth by J.W. Gant. Claimants further contended that they were deceived by what they perceived was less than ethical behavior, totally lacking in professionalism.

Respondents J.W. Gant and Associates, Inc. filed bankruptcy, therefore, as to it, the proceedings were stayed.

Vadim Mostovoy failed to file an Answer to the Statement of Claim.

**RELIEF REQUESTED**

Claimants Richard A. and Lynallen Yehl, requested \$8,256.65 in actual damages, plus costs, attorneys' fees and expenses.

Respondent Vadim Mostovoy failed to file an Answer to the Statement of Claim.

### OTHER ISSUES CONSIDERED & DECIDED

In accordance with Section 13 of the NASD Code of Arbitration Procedure, respondent Vadim Mostovoy, was served the Statement of Claim by regular mail and given an opportunity to respond which he failed to do.

Pursuant to the By-laws of the NASD, the arbitrator determined that the respondent Vadim Mostovoy has notice of the claim, and was required to submit to this arbitration proceeding; and is, therefore, bound by the arbitrator's ruling and determination.

### AWARD

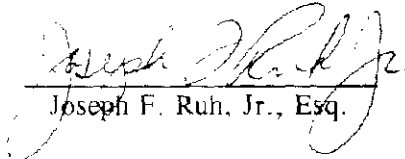
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Joseph F. Ruh, Jr. Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the claimants Richard A. and Lynallen Yehl, on January 31, 1996 and not by the respondent Vadim Mostovoy, 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 in full and final resolution of the issues for determination as follows:

1. Respondent Vadim Mostovoy is liable and shall pay claimants Richard A. and Lynallen Yehl \$4,200 in actual damages
2. Respondent Vadim Mostovoy is liable and shall pay to the claimants Richard A. and Lynallen interest rate of 3% per annum from November 1, 1995 to date of payment of the award.
3. Claimants request for punitive damages has been denied.
4. Claimants request for attorneys' fees has been denied.
5. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by claimants Richard A. and Lynallen Yehl, shall be retained by the NASD, Inc.

### AFFIRMATION

I, **Joseph F. Ruh, Jr.** 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.

  
Joseph F. Ruh, Jr., Esq.

Date of Decision: June 27, 1996