

**STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH**

**BEFORE THE
SECURITIES COMMISSIONER**

In the matter of)
Gruntal & Co., Inc.;)
Robert Goldstein;)
and their Officers, Directors,)
Agents, and Employees,)
Respondents.)

**ORDER FOR
HEARING**

.....

WHEREAS, Kevin Pifer, a resident of North Dakota, has filed a complaint with the office of the North Dakota Securities Commissioner alleging that the Respondents violated one or more of the NASD Rules of Fair Practices in their dealings with Kevin Pifer and violated provisions of the North Dakota Securities Act by engaging in fraudulent practices pursuant to North Dakota Century code §10-04-15 and

WHEREAS, Kevin Pifer has alleged that:

1. in early 1995 Robert Goldstein solicited Kevin Pifer by phone to purchase stock in Quaker Oats Co.;
2. on or about February 14, 1995 Kevin Pifer was sold 100 shares in Quaker Oats Co. at a price of 34 3/8 by Robert Goldstein of Gruntal & Co., Inc.;
3. a margin call dated March 28, 1995 was sent to Kevin Pifer by Gruntal & Co., Inc. for \$1,860.00 to be in the hands of Gruntal & Co., Inc. no later than April 3, 1995;
4. on April 13, 1995 Gruntal & Co., Inc. sold 100 shares of Quaker Oats at 35 1/8 from Kevin Pifer's account;
5. Kevin Pifer did not authorize the sale of shares of Quaker Oats shares from his account;
6. Kevin Pifer sent Gruntal & Co., Inc. a check in the amount of \$1,860.00 dated April 17, 1995 to cover the margin;
7. on or about December 27, 1995 Kevin Pifer was sold 1,400 shares in Flagstar Companies, Inc. at a price of 3 by Robert Goldstein of Gruntal & Co., Inc.;

8. a maintenance call dated December 27, 1995 was sent to Kevin Pifer by Gruntal & Co., Inc. requiring \$2,005.00 additional margin to be forwarded to Gruntal & Co., Inc. by January 2, 1996;
9. on December 27, 1995 Gruntal & Co., Inc. sold 1,400 shares of Flagstar Companies, Inc. at a price of 3 from Kevin Pifer's account;
10. Kevin Pifer did not authorize the sale of Flagstar Companies shares from his account;
11. More shares of Flagstar Companies were sold than were needed to cover the maintenance call.

NOW, THEREFORE, IT IS ORDERED that:

1. pursuant to §51-19-13 N.D.C.C. the Securities Commissioner will begin a public investigative hearing for this matter in the Sakakawea Room on the ground floor of the state Capitol in Bismarck, North Dakota at 9:00 a.m. on Thursday, May 16, 1996 and continuing until all interested parties have had an opportunity to present any relevant oral and written evidence under oath for complaints and remedies involving alleged securities violations and related material issues; and
2. to be received on or before Friday, April 12, 1996 Complainant Kevin Pifer and each of the Respondents shall provide to one another and to the Office of the Securities Commissioner copies of any documents they intend to present at the hearing for this matter with a brief description of the relevance of each of the documents to the alleged violations; and
3. to be received on or before Friday, April 12, 1996, complainant Kevin Pifer and each of the Respondents shall provide to one another and to the Office of the Securities Commissioner a list of the name, address, telephone number, and brief summary of anticipated testimony for each witness whom they intend to present at the hearing, and the parties shall designate any witnesses who will not voluntarily appear and who should be subpoenaed by the Securities Commissioner; and
4. to be received by complainant Kevin Pifer and the Respondents on or before April 30, 1996 the Office of the Securities Commissioner shall prepare a list of documents and witnesses for the hearing for the specific allegations of securities violations, a description of relevant fact issues that appear to be undisputed, and a description of relevant fact issues that appear to be disputed between the parties; and
5. a party who requests that a subpoena be issued for any witness at the hearing shall pay the witness fees and expenses for the witness to attend the hearing.

Dated at Bismarck, North Dakota March 21, 1996.



Cal Hoovestol
CAL HOOVESTOL
Securities Commissioner
State Capitol, 5th Floor
Bismarck, ND 58505-0510
(701) 328-2910

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**AFFIDAVIT
OF
MAILING**

.....
I, Diane Lillis, being first duly sworn, state that I am a citizen of the United States over the age of twenty-one years and not a party to or interested in the above-entitled proceeding.

On, March 21, 1996 I deposited in the Central Mailing Bureau of the United States Post Office Department in the State Capitol in Bismarck, North Dakota, true and correct copies of the following document:

ORDER FOR HEARING


A copy of the above document was securely enclosed in an envelope with postage prepaid, sent via certified mail, return receipt requested, and addressed to:

Gruntal & Co., Inc.
Fourteen Wall Street
New York, NY 10005-2176

Robert Goldstein
Gruntal & Company, Inc.
515 East Las Olas Blvd., Suite #1200
Ft. Lauderdale, FL 33301

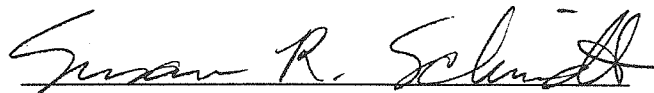
Kevin Pifer
c/o Nodak Mutual Insurance
1101 1st Avenue N
Fargo, ND 58102

To the best of my knowledge, information, and belief, the address given above is the actual post office address of the party intended to be served.



Diane Lillis

Subscribed and sworn to before me on March 21, 1996.



Susan R. Schmidt, Notary Public
Burleigh County, North Dakota
My commission expires 9/25/2001