

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Andra Lynn Welsh, Claimant v. Cambridge Group Investments, Ltd. and Timothy Patrick Prichard, Respondents

Case Number: 03-01016

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

James R. Ballard, Esq.
Schwartz Semerdjian &
Haile LLP
San Diego, California

For Respondents:

Cambridge Group Investments, Ltd.

Charles E. Murphy, Esq.
Howard & Howard, P.C.
Bloomfield Hills, Michigan

Timothy Patrick Prichard

Charles E. Murphy, Esq.
Howard & Howard, P.C.
Bloomfield Hills, Michigan

CASE INFORMATION

Statement of Claim filed: May 15, 2002

Claimant's Uniform Submission Agreement signed: April 4, 2002

Statement of Answer, Affirmative Defenses and Motion to Dismiss filed by Respondents
Cambridge Group Investments, Ltd. and Timothy P. Prichard: July 26, 2002

Respondent Cambridge Group Investments, Ltd.'s Uniform Submission Agreement signed:
July 24, 2002

Respondent Timothy Patrick Prichard's Uniform Submission Agreement signed: July 24, 2002

CASE SUMMARY

Claimant alleged fraud and deceit and breach of fiduciary duty relating to investments in Xerox Corporation Bonds and Polaroid Corp. Bonds.

Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages according to proof, interest on damages awarded, punitive damages of \$1,000,000.00, and costs.

Claimant's Arbitration Hearing Brief, dated May 19, 2003, requested out of pocket damages of \$350,982.50, commissions totaling \$22,393.25, pre-judgment interest in the amount of \$38,463.84, estimated expert witness fees of \$5,000.00, and a punitive damage award of \$150,000.00.

Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard requested dismissal of the Claimant's Statement of Claim in its entirety and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On October 15, 2002, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On October 15, 2002, Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On December 20, 2002, the Panel denied Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard's Motion to Dismiss.

On or about December 26, 2002, Claimant discharged her former legal counsel and on March 18, 2003 she obtained current legal counsel.

On January 24, 2003, the Panel granted Respondents Cambridge Group Investments, Ltd. and

Timothy Patrick Prichard's Motion to Sever. Claimant's claims against Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard were re-filed as case number 03-01016 and are the subject of this Award. The parties stipulated to the use of the arbitrators selected in the original case to preside over the present arbitration.

On May 29, 2003, at the hearing session, Claimant stipulated with Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard to the dismissal of the fraud claim from the Statement of Claim. The Panel accepted the parties' stipulation and Claimant's Statement of Claim was amended accordingly.

NASD Dispute Resolution Forum Fees assessed for the present arbitration are solely for the hearing sessions accrued after the Panel granted the Motion to Sever on January 24, 2003 in the original arbitration proceeding. The forum fees accrued respectively by the parties in the original arbitration proceeding will be invoiced at the time that case is closed.

The parties further agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety.
- 2) The parties shall bear all other respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ 375.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the Panel or Chairperson, including a pre-hearing conference, that lasts four (4) hours or less. The following fees are assessed:

(6) Hearing sessions @ \$1,200.00/session		= \$ 7,200.00
Hearings:		
	May 27, 2003	2 sessions
	May 28, 2003	2 sessions
	May 29, 2003	2 sessions

Total Forum Fees = \$ 7,200.00

1. The Panel assessed \$ 3,600.00 of the forum fees to Claimant Andra Lynn Welsh.
2. The Panel assessed \$ 3,600.00 of the forum fees jointly and severally to Respondents Cambridge Group Investments, Ltd. and Timothy Patrick Prichard.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Claimant requested photocopy service of 52 pages at .50/page: = \$ 26.00

Fee Summary

1. Claimant Andra Lynn Welsh is charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 3,600.00
<u>Administrative Costs</u>	= \$ 26.00
Total Fees	= \$ 4,001.00
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 4,001.00

2. Respondents Cambridge Group Investments, Inc. and Timothy Patrick Prichard are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 3,600.00
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 3,600.00

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Gilbert E. Haakh, Esq.	-	Public Arbitrator, Presiding Chair
Thomas E. Higgins, ASA	-	Public Arbitrator
Mark A. Levy, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Gilbert E. Haakh, Esq.
Chair, Public Arbitrator



Signature Date

Thomas Higgins, ASA
Public Arbitrator

Signature Date

Mark A. Levy, J.D.
Non-Public Arbitrator

Signature Date

6/06/03

Date of Service

ARBITRATION PANEL

Gilbert E. Haakh, Esq.	-	Public Arbitrator, Presiding Chair
Thomas E. Higgins, ASA	-	Public Arbitrator
Mark A. Levy, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Gilbert E. Haakh, Esq.
Chair, Public Arbitrator

Signature Date


Thomas Higgins, ASA
Public Arbitrator

6/4/03
Signature Date

Mark A. Levy, J.D.
Non-Public Arbitrator

Signature Date

6/6/03
Date of Service

ARBITRATION PANEL

Gilbert E. Haakh, Esq.	-	Public Arbitrator, Presiding Chair
Thomas E. Higgins, ASA	-	Public Arbitrator
Mark A. Levy, J.D.	-	Non-Public Arbitrator

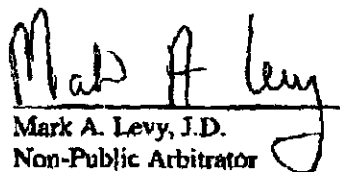
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Date of Service