

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	x
Eloise Gretz	x
Claimant	x
vs.	x CASE NO.
	x 90-00499
First of Philadelphia Investment Group, and Andrew Dougherty	x AWARD
Respondents	x
	x

CASE SUMMARY

Claimant, Eloise Gretz ("Gretz"), alleged that the Respondents, Andrew Dougherty ("Dougherty") and First of Philadelphia Investment Group ("FPIG"), purchased and sold securities in Gretz's account without her knowledge, authorization or consent. Gretz also contended that Dougherty and FPIG misrepresented and omitted to disclose material facts concerning the option and margin trading in her accounts, and that FPIG failed to properly supervise and regulate the activities of Dougherty.

FPIG contended that Gretz authorized and consented each transaction in her accounts with full knowledge of the risks involved. FPIG contended that it properly supervised Dougherty and that it always dealt with Gretz in an honest and fair manner. FPIG asserted a cross-claim against Dougherty in which it alleged that if there is any liability to Gretz it is solely due to the conduct of Dougherty.

Dougherty did not file an answer in this matter.

RELIEF REQUESTED

Gretz requested actual damages of \$94,438.44, plus interest at 6%, plus punitive damages of \$25,000.00, costs and attorney's fees. FPIG requested dismissal of all claims made against it, and if any liability is owed to Gretz, FPIG requested an award on its cross-claim against Dougherty in the amount awarded to Gretz.

AWARD

On January 3, 1991, the undersigned arbitrators heard the

controversy between the parties as set forth in submissions to arbitration signed by the Claimant Eloise Gretz on January 30, 1990, by Respondent First of Philadelphia Investment Group on June 12, 1990, and not by Respondent Andrew Dougherty as is required by Section 12 of the NASD's Code of Arbitration Procedure. The initial claim was filed on February 16, 1990. The hearing was conducted at the offices of the National Association of Securities Dealers, Inc. in Philadelphia, PA, and consisted of two (2) hearing sessions. The arbitration panel having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. On May 23, 1990 Respondent Andrew Dougherty received a formal discharge in the United States Bankruptcy Court for the Eastern District of Pennsylvania for, among other things, all claims made against him in this matter (A copy of the Discharge Order, with schedules attached, was made part of the arbitrators' exhibits). Therefore, all claims and cross-claims against Respondent Andrew Dougherty were dismissed in their entirety.
2. Respondent First of Philadelphia Investment Group be and hereby is liable and shall pay to the Claimant, Eloise Gretz, the sum of Sixty Six Thousand One Hundred Six Dollars and Ninety One Cents (\$66,106.91), plus 6% interest from the date of this Award until satisfaction of the Award.
3. Claimant's request for punitive damages is denied.
4. Each party shall bear their respective costs including attorneys' fees.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant, and the Claimant be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of Two Hundred Dollars And No Cents (\$200.00), and Respondent First of Philadelphia Investment Group be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of One Thousand Dollars And No Cents (\$1,000.00), as costs of the two(2) hearing sessions conducted in this matter.

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Gretz Award

CONCURRING ARBITRATORS

Michael J. Shalley
Michael J. Shalley

Chess B. Faircloth
Chess B. Faircloth

Roy B. Steenhoff
Roy B. Steenhoff

Dated: January 14th, 1990