

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Amie L.F. Tippet

91-00261

Name of Respondents

W.H. Newbold's Sons & Co., Inc.
John M. Duffin
Gordan Wright

REPRESENTATION

For Claimant: Drew S. Dorfman, Esq. of Krimstock & Dorfman.
For Respondent: Phillip D. Berger, Esq. of Klehr, Harrison, Harvey, Branzberg
& Ellers.

CASE INFORMATION

Statement of Claim filed: January 24, 1991.
Joint Statement of Answer filed by all Respondents: April 29, 1991.

Submission Agreements signed:

Amie L.F. Tippet: December 20, 1990.
W.H. Newbold's Sons & Co. : April 25, 1991.
John M. Duffin: April 26, 1991.
Gordan Wright: April 25, 1991.

HEARING INFORMATION

Hearing Date/Sessions: September 12, 1991/ 2 sessions.
Hearing Location: Offices of the National Association of Securities
Dealers, Inc. ("NASD") in Philadelphia, PA.

CASE SUMMARY

Claimant, Amie L.F. Tippet ("Tippet"), alleged that she relied solely upon the advice of Respondent John M. Duffin ("Duffin"), then employed by Respondent W.H. Newbold's Sons & Co., Inc. ("Newbold's"), when she sold her shares of Van Kampen Merritt U.S. Government Fund (Van Kampen) and purchased shares in Dreyfus Strategic Government Income, Inc. ("Dreyfus"), and then sold her shares in Dreyfus and purchased shares of DMC Tax Free Income Trust PA SBI ("DMC"). Tippet alleged that Duffin's advice and recommendations that she engage in these trades was inappropriate and unsuitable for her. Claimant further alleged that these transactions caused her to sustain losses that she should not have incurred.

Newbold's, Duffin and Respondent Gordan Wright ("Wright"), collectively "Respondents", contended that the sale of the Van Kampen Fund and the purchase of the Dreyfus Fund was completely appropriate and suitable for Tippett. However, the Respondents conceded that the sale of the Dreyfus Fund and purchase of the DMC shares was not appropriate and they have offered to reinstate the dollar value of Tippett's investment in the Dreyfus Fund as of December 28, 1988, plus interest, and to pay Tippett the net of these two figures (reinstatement plus interest) over the dollar value of the DMC shares as of June 6, 1989. Respondents alleged that Tippett has refused the settlement proposals.

RELIEF REQUESTED

Claimant requested actual damages of \$19,409.46, plus interest, punitive damages, costs and attorney's fees. Respondents requested that any award to Tippett be limited to their settlement offer of \$3,721.99, and that Tippett's request for punitive damages and attorneys' fees be dismissed.

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. At the close of Tippett's case, the Respondents made a motion to dismiss all claims against Respondent Gordan Wright. This motion was unopposed by Tippett. Therefore, all claims against Respondent Gordan Wright were dismissed, with prejudice.
2. The remaining respondents, Newbold's and Duffin, be and hereby are jointly and severally liable and shall pay to Tippett the sum of Eight Thousand Four Hundred Dollars and No Cents (\$8,400.00), inclusive of interest.
3. Tippett's request for punitive damages is denied in all respects.
4. The parties each shall bear their respective costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

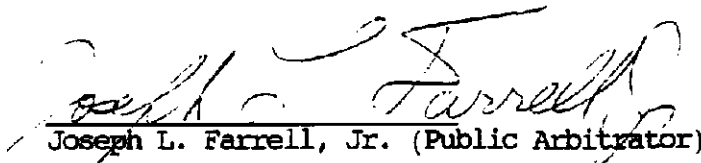
2 sessions X \$400 = \$800.00.

The NASD shall retain the \$500.00 filing fee previously deposited by Tippett, \$100.00 of which represents the requisite non-refundable claim filing fee and

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\$400.00 shall be applied toward one-half of the Forum Fees. Respondent Newbold's be and hereby is liable and shall pay to the NASD \$400.00 to represent one-half of the Forum Fees.

Concurring Arbitrators' Signatures



Joseph L. Farrell, Jr. (Public Arbitrator)

Date: , 1991.

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Concurring Arbitrators' Signatures




Richard W. Bourbon (Public Arbitrator)

Date: 20 Sept., 1991.

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Concurring Arbitrators' Signatures

A handwritten signature in dark ink, appearing to read 'A. B. Lang', written over a horizontal line.

Allen B. Lang (Industry Arbitrator)

Date: *Sept 2*, 1991.

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Concurring Arbitrators' Signatures

/s/
Joseph L. Farrell, Jr. (Public Arbitrator)

/s/
Richard W. Bourbon (Public Arbitrator)

/s/
Allen B. Lang (Industry Arbitrator)

Date of Decision: *September 25*, 1991.