

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Linda Rydel

Case No. 92-01167

Name of Respondent(s)

Andover Securities, Inc.
Estate of Sidney P. Griffin, Sr.
Griffin Financial Group

REPRESENTATION

For Claimant, Linda Rydel ("Rydel"): Philip Snyderburn, Esq. of Snyderburn, Rishoi and Swann.

For Respondent, Andover Securities, Inc. ("Andover"): Guy Burns, Esq. of Johnson, Blakely, Pope, et. al.

For Respondents, the Estate of Sidney P. Griffin, Sr., and Griffin Financial Group ("the Griffins"): Bradley Davis, Esq. of Pleus, Adams, Davis and Spears, P.A.

CASE INFORMATION

Statement of Claim filed: April 2, 1992.

Claimant's Submission Agreement signed on: March 31, 1992.

Respondent, Andover's, Statement of Answer filed: July 20, 1992.

Respondent, Andover failed to file a Submission Agreement (see "Other Issues").

Respondents, the Griffins, did not file a Statement of Answer or sign Submission Agreements as required by Sections 12 and 25 of the Code.

HEARING INFORMATION

On June 17 and 18, 1993, in Tampa, Florida, hearings lasting 4 sessions were conducted.

CASE SUMMARY

Claimant alleged that Sidney Griffin solicited Rydel to invest her life savings with him, and through misrepresentations, caused her to invest in two Corporate Income Funds, a Real Estate Income Program and annuities. Claimant stated that Respondents: sold unregistered securities; violated Section 517.301 of the Florida Statutes; and was also liable for common law fraud, civil theft, and, breach of fiduciary duty. Claimant further alleged that Andover was liable for negligent supervision.

Respondent, Andover denied all allegations of wrongdoing and alleged that although Griffin was a registered representative of Andover, he was not employed by Andover.

Respondent, Andover alleged the affirmative defenses of: no agreement between Claimant and Andover to arbitrate; and, Griffin acted outside the scope of his employment.

Respondent, Griffin failed to file a Statement of Answer (see "Other Issues").

RELIEF REQUESTED

Claimant requested damages of \$122,000 plus punitive damages.

Respondent, Andover requested dismissal of the claim plus costs and attorney's fees.

Respondent Griffin failed to file an Answer.

OTHER ISSUES CONSIDERED & DECIDED

1. At the commencement of the hearing, the Claimant withdrew all claims against Respondents, Estate of Sidney P. Griffin, Sr. and Griffin Financial Group, therefore the hearing proceeded as to Respondent, Andover, only.
2. At the commencement of the hearing, the Claimant withdrew her claim against Andover regarding the sale of Life USA Annuities.
3. The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

After determining that they have jurisdiction of this matter and the parties thereto and after considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Andover, is found not liable and, therefore, all claims against it are hereby dismissed.

2. Claimant's request for punitive damages is denied.
3. Respondent, Andover's, request for attorney's fees and costs is denied.

OTHER COSTS

The parties shall each bear all costs and expenses incurred by them in connection with this proceeding.

FORUM FEES

1. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$3,000.00 (4 sessions x \$750.00 per session).
2. Claimant is hereby assessed \$1,500.00 for which the NASD shall retain the \$750.00 previously deposited in partial satisfaction thereof leaving a balance due of \$750.00 payable to the National Association of Securities Dealers, Inc.
3. Respondent, Andover, is hereby assessed \$1,500.00, payable to the National Association of Securities Dealers, Inc.
4. The NASD shall retain the non-refundable filing fee of \$200.00 paid by the Claimant.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

George Felos, Esq.

Chairperson/Public

/s/

Samuel M. Niden

Industry

Dissenting Arbitrator's Signature

/s/

Jean M. Lang

Public

Arbitrator, Jean M. Lang, dissents as to paragraph one (1) of the Award with respect to liability, but otherwise concurs in the decision.

Date of Decision: August 19, 1993