

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration BetweenName of Claimant

Willis Starr

Case No. 93-03635 2/95

Name of Respondent

First of Philadelphia Investment Group, Inc.

REPRESENTATION

For Claimant, Willis Starr ("Starr"): pro-se.

For Respondent, First of Philadelphia Investment Group, Inc., ("FPIG"): J. Paul Boyle Chief Executive Officer of FPIG.

CASE INFORMATION

Statement of Claim filed: September 16, 1993. Claimant's Submission Agreement signed on: September 10, 1993.

Respondent, FPIG's, Statement of Answer filed: August 22, 1994.

HEARING INFORMATION

On August 3, 1994, a pre-hearing conference lasting one (1) session was conducted (via telephone conference call) with an arbitrator.

On December 8, 1994, in Tampa, Florida, a hearing lasting one (1) session was conducted.

CASE SUMMARY

Claimant alleged that Respondent was found to be in violation by the state of Florida of selling unregistered securities through an unregistered Florida branch office, from March 1988 through July 1990. In addition the sales broker was not registered part of this time. The branch manager of FPIG's Port Richey branch advised the Claimant to buy various securities, of which many were

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misrepresented by untrue statements of the stock companies activities, financial status and future performances. The Claimant request rescission of securities purchase and damages. The following schedule provides for the securities purchased by the Claimant from FPIG:

Portfolio of Subject Securities @ 12-8-94

<u>Share/Warrants</u>	<u>Security</u>	<u>Date Acquired</u>
5,000 sh.	Vista Mines, Inc.	03/29/88
5,000 sh.	"	05/05/88
5,000 sh.	"	10/18/88
10,000 sh.	"	12/19/88
(1) 1,250 sh.	Pharmaceutical Formulation	05/06/88
(1) 625 sh.	" "	01/18/89
(1) 1,250 sh.	" "	01/19/89
(2) 400 sh.	Somerset Bankshares	04/04/89
3,000 sh.	NATEC (Industrial Res, Inc.)	04/28/89
2,000 sh.	" " "	08/16/88
2,000 sh.	Alfacell Corp.	09/25/89
(3) 207 sh.	LTV Corp.	03/09/90
89 wts.	" "	03/09/90
461 sh.	" "	06/04/90
193 wts.	" "	06/04/90
(1) After reverse split (1 for 8)		11/16/90
(2) After reverse split (1 for 2.5)		06/07/93
(3) Converted from Sr. Notes and Sub. Debentures pursuant to reorg. of 6/93		

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Respondent denied all allegations of wrongdoing and alleged that each of the Claimant's allegations is without merit and barred by the applicable statute of limitations.

RELIEF REQUESTED

Claimant requested compensatory damages of \$253,626.00 and rescission of securities purchased through FPIG.

Respondent requested the dismissal of the Claim in its entirety, and award to the Respondent of attorney's fees, costs of this action and any other such relief the Panel deems necessary and proper.

OTHER ISSUES CONSIDERED & DECIDED

Respondent, FPIG, failed to submit an executed Submission Agreement or appear at the hearing. This Panel finds that it has jurisdiction pursuant to Section 12 of the NASD Code of Arbitration Procedure because FPIG was an NASD member firm at the time this controversy arose.

The Respondent was granted by the arbitrators two motions to postpone. The first motion to postpone was granted prior to the initial scheduled hearing date of June 21, 1994 and the second motion to postpone was granted prior to the second scheduled hearing date of August 25, 1994. The NASD did not receive a motion to Postpone prior to the actual hearing date of December 8, 1994 hearing.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remain on file with the NASD.

AWARD

After considering the pleading, 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:

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Award Cont.

1. Respondent, FPIG, is found liable and shall pay to the Claimant the amount of \$253,626.00.
2. In recognition of the fact that certain securities are held by Claimant as of December 8, 1994 and that the fair market value of such securities has been taken into account by the Claimant (as a reduction of their Claim), the Claimant is directed to sell such securities within 30 days; the proceeds received from such sale are to be retained by Claimant.
3. The award in Item 1, above, is not to be reduced by any proceeds derived by Claimant in Item 2, above.
4. Respondent's request for attorney's fees/costs and other expenses are denied.

OTHER COSTS

Other than as provided below the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$1,050.00 (1 pre-hearing conference x \$300.00 plus (1) hearing session x \$750.00 per session).

Respondent, FPIG, is hereby assessed \$1,050.00, \$750.00 of which shall be paid directly to the Claimant and \$300.00 of which shall be paid to the National Association of Securities Dealers, Inc.

The NASD shall retain the non-refundable filing fee of \$200.00 paid by the Claimant.

Respondent shall reimburse the Claimant \$200.00 for the non-refundable filing fee.

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

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Concurring Arbitrators' Signatures

Name

Public/Industry

/S/
Sam A. Giunta

Public

/S/
Willard E. Fawcett

Industry

/S/
Ellen F. Stoutamire

Public

Date of Decision: February 8, 1995