

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Gruntal & Co., L.L.C.

Case No. 99-02509

Name of Respondent

Matthew D. Galvin

Hearing Location: Boston, MA

REPRESENTATION OF PARTIES

Claimant, Gruntal & Co., L.L.C. ("Claimant") was represented by Nancy I. Blueweiss, Counselor at Law, Boston, MA.

Respondent, Matthew D. Galvin ("Respondent") was represented by Grover S. Parnell, Jr., Esq. of the law firm of Finneran & Nicholson, P.C., Boston, MA.

CASE INFORMATION

Statement of Claim filed on or about: May 25, 1999

Claimant's Reply to the Counterclaim filed on or about: September 29, 1999

Claimant's Uniform Submission Agreement was executed by Charles W. Gerber of Gruntal & Co., L.L.C. on: May 25, 1999

Statement of Answer and Counterclaim filed by Respondent on or about: August 12, 1999

Respondent signed the Uniform Submission Agreement: August 11, 1999

CASE SUMMARY

Claimant asserted the following causes of action: Claimant alleged that when Respondent voluntarily terminated his employment with Claimant he was required to repay the enhanced commissions he received over the standard grid payout; Claimant alleged that Respondent was inadvertently overpaid and the Respondent has failed to return the overpayment; Claimant alleged that Respondent agreed to pay his share of the settlement costs on the Fiscella arbitration but has failed to do so; Claimant alleged that Respondent left without completing the first anniversary of the Employment Agreement #2 and that he owes Claimant liquidated damages pursuant to the agreement; and, Claimant alleged that Respondent owes it

the tuition costs of Claimant's professional education program that Respondent attended but failed to complete.

Respondent denied all allegations of wrongdoing asserted by Claimant in its Statement of Claim and asserted the following defenses: Claimant has failed to state a claim upon which relief may be granted; the doctrine of "unclean hands" prevents Claimant from any recovery in this matter; and, Claimant is not entitled to recover because of violations of Massachusetts state law which Claimant has committed.

Respondent filed a counterclaim against Claimant asserting the following causes of action: fraud and misrepresentation; violation of Massachusetts Wage Payment Statute and Slander Per Se.

Claimant denied all allegations of wrongdoing asserted in Respondent's counterclaim and maintained, among other things, the following defenses: Respondent failed to allege the circumstances constituting fraud with particularity; Respondent has failed to state a claim on which relief may be granted; Respondent seeks speculative damages and he cannot demonstrate that the damages were a proximate cause of any wrongful conduct on the part of Claimant; the claims asserted by Respondent are barred by his prior breaches of contract and misrepresentations, Respondent is estopped by his own conduct from recovering from Claimant; and, Respondent is barred, by his unclean hands, from recovering from Claimant.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$95,554.23
Interest	unspecified
Attorneys' Fees	to be determined by the Panel
Other Costs	unspecified

Claimant also requested that Respondent's counterclaim be dismissed in its entirety and that based on Claimant's Motion for Attorneys' Fees and Costs that the panel award attorneys' fees as the panel deems appropriate.

Respondent requested that the Panel dismiss the Statement of Claim with prejudice and requested the following relief on his counterclaim:

Compensatory Damages	\$570,000
Attorneys' Fees	unspecified
Other Costs	unspecified

OTHER ISSUES CONSIDERED AND DECIDED

The counterclaim was withdrawn at the hearing. The panel decided to assess forum fees

based on the claim; and not on the counterclaim.

The Panel decided to determine the Motion for Award of Attorney's Fees by allowing the parties to submit post hearing submissions.

AWARD

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

1. That Respondent Matthew Galvin is liable to Claimant and shall pay to Claimant the sum of \$95,554.23; no prejudgment interest is awarded on this amount.
2. That Respondent Matthew Galvin is liable to Claimant for attorney's fees and shall pay to Claimant the sum of \$10,000.
3. That all other costs, except for the Fees addressed below, shall be borne by the respective parties.
4. Any and all request for relief not specifically addressed herein is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$1,000
Counterclaim filing fee	= \$ 375

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,000
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$1,500

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750	= \$750
Pre-hearing conference: March 20, 2000	1 session
Three (3) Hearing sessions x \$750	= <u>\$2,250</u>
Hearing Dates: August 1, 2000	2 sessions
August 2, 2000	<u>1 session</u>
Total Forum Fees	= \$3,000

The Panel has assessed the forum fees to follow:

1. The Panel has assessed \$1,500 of the forum fees to Claimant.
2. The Panel has assessed \$1,500 of the forum fees to Respondent.

Fee Summary

Claimant is assessed the following fee:

Initial Filing Fee	= \$1,000
Member Fees	= \$3,100
<u>Forum Fees</u>	= <u>\$1,500</u>
Total Fees	= \$5,600
<u>Less payments</u>	= <u>\$6,850</u>
Refund to Claimant	= \$1,250

Respondent is assessed the following fees:

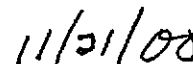
Type Filing Fee	= \$ 375
<u>Forum Fees</u>	= <u>\$1,500</u>
Total Fees	= \$1,875
<u>Less payments</u>	= <u>\$2,450</u>
Refund to Respondent	= \$ 525

All balances are due and payable to NASD Dispute Resolution, Inc.

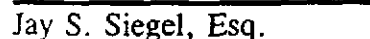
Concurring Arbitrators' Signatures




Shari B. Broder, Esq.
Public Arbitrator, Presiding Chairperson



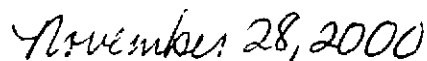
Signature Date


Jay S. Siegel, Esq.
Public Arbitrator, Panelist

Signature Date


William J. Driscoll
Non Public Arbitrator, Panelist

Signature Date

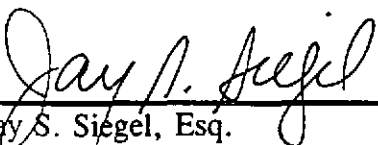


Date Award Served by NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Shari B. Broder, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Jay S. Siegel, Esq.
Public Arbitrator, Panelist

Nov. 22, 2000
Signature Date

William J. Driscoll
Non Public Arbitrator, Panelist

Signature Date

November 28, 2000
Date Award Served by NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Shari B. Broder, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Jay S. Siegel, Esq.
Public Arbitrator, Panelist

Signature Date

William J. Driscoll
William J. Driscoll
Non Public Arbitrator, Panelist

Nov 22, 2000
Signature Date

November 28, 2000
Date Award Served by NASD Dispute Resolution, Inc.