

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Mohammad Bagherabadi, Claimant v. Providential Securities, Inc. and Henry D. Fahman,
Respondents

Case Number: 00-04853

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant Mohammad Bagherabadi:

Albert J. Rasch, Esq.
Albert J. Rasch & Assoc.
Costa Mesa, California
until December 13, 2001

Mohammad Bagherabadi
Pro Se
Granada Hills, California
after December 13, 2001

For Respondent Providential Securities, Inc.:

Henry D. Fahman
President and CEO
Providential Securities, Inc.
Huntington Beach, California

For Respondent Henry D. Fahman:

Henry D. Fahman
Pro Se
Huntington Beach, California

CASE INFORMATION

Statement of Claim filed: December 29, 2000

Claimant's Uniform Submission Agreement signed: December 29, 2000

Joint Statement of Answer filed by Respondents: September 21, 2001

Respondents' Uniform Submission Agreement signed: None filed

CASE SUMMARY

Claimant alleged breach of employment contract as a result of Respondents having withheld commissions owed.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$51,849.51 in compensatory damages and \$30,000.00 in punitive damages.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Providential Securities, Inc. and Henry D. Fahman did not file with NASD Dispute Resolution a properly executed submission agreement but are required to submit to arbitration pursuant to the Code and having answered the claim are bound by the determination of the Panel on all issues submitted.

On September 24, 2001, both Claimant and Claimant's counsel failed to appear at the hearing. The Panel and Respondents were present. Pursuant to the Panel's request, staff contacted Claimant's counsel and received verbal notification that counsel wished to withdraw from the case. Staff then contacted Claimant who stated that he expected his attorney to make an appearance. The Panel then placed the matter off calendar until such time as Claimant made a motion to re-set or December 21, 2001, whichever date came first. The Panel ruled that should Claimant fail to make a Motion to Re-Set by December 21, 2001, the matter would be dismissed without prejudice.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings and Claimant's failure to appear at the hearing set for September 24, 2001 or to subsequently file a Motion to Re-Set the Hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) This matter is dismissed without prejudice.
- 2) The parties shall bear their respective costs, including attorney's fees.

3) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

| | |
|--------------------------|-------------|
| Initial claim filing fee | = \$ 225.00 |
|--------------------------|-------------|

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Providential Securities, Inc. is a party and the following fees are assessed:

| | |
|----------------------------|----------------------|
| Member Surcharge | = \$ 1,000.00 |
| Pre-Hearing Process Fee | = \$ 600.00 |
| <u>Hearing Process Fee</u> | <u>= \$ 1,500.00</u> |
| Total Member Fees | = \$ 3,100.00 |

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

| | |
|---|-------------|
| One (1) Pre-hearing conference session(s) with the Panel @ \$750.00/session | = \$ 750.00 |
| Pre-hearing conference: June 19, 2001 1 session | |

| | |
|---|-------------|
| One (1) Hearing sessions @ \$750.00/session | = \$ 750.00 |
| Hearing: September 24, 2001 1 session | |

| | |
|-------------------------|----------------------|
| Total Forum Fees | = \$ 1,500.00 |
|-------------------------|----------------------|

The Panel assessed \$1,500.00 of the forum fees to Claimant Mohammad Bagherabadi.

Fee Summary

1. Claimant Mohammad Bagherabadi is charged with the following fees and costs:

| | |
|--|----------------------|
| Initial Filing Fee | = \$ 225.00 |
| <u>Forum Fees</u> | <u>= \$ 1,500.00</u> |
| Total Fees | = \$ 1,725.00 |
| <u>Less initial waiver of filing fees by Regional Director</u> | <u>= \$(225.00)</u> |
| Balance Due NASD Dispute Resolution | = \$ 1,500.00 |

2. Respondent Providential Securities, Inc. is charged with the following fees and costs:

| | |
|--|----------------------|
| Member Fees | = \$ 3,100.00 |
| <u>Less payments</u> | <u>= \$(0.00)</u> |
| Balance Due NASD Dispute Resolution | = \$ 3,100.00 |

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

| | | |
|-------------------------------|---|------------------------------------|
| <i>Robert D. Sussin, Esq.</i> | • | <i>Non-Public, Presiding Chair</i> |
| <i>John Alen DeRosa</i> | • | <i>Non-Public Arbitrator</i> |
| <i>J. Michael McGowan</i> | • | <i>Non-Public Arbitrator</i> |

Concurring Arbitrators' Signatures



Robert D. Sussin, Esq.
Chair, Non-Public Arbitrator

07/09/02

Signature Date

John Alen DeRosa
Non-Public Arbitrator

Signature Date

J. Michael McGowan
Non-Public Arbitrator

Signature Date

July 15, 2002
Date of Service

ARBITRATION PANEL

| | | |
|-------------------------------|---|------------------------------------|
| <i>Robert D. Sussin, Esq.</i> | - | <i>Non-Public, Presiding Chair</i> |
| <i>John Alen DeRosa</i> | - | <i>Non-Public Arbitrator</i> |
| <i>J. Michael McGowan</i> | - | <i>Non-Public Arbitrator</i> |

Concurring Arbitrators' Signatures

Robert D. Sussin, Esq.
Chair, Non-Public Arbitrator

Signature Date



John Alen DeRosa
Non-Public Arbitrator

7/8/02

Signature Date

J. Michael McGowan
Non-Public Arbitrator

Signature Date



Date of Service

ARBITRATION PANEL

| | | |
|-------------------------------|---|------------------------------------|
| <i>Robert D. Sussin, Esq.</i> | - | <i>Non-Public, Presiding Chair</i> |
| <i>John Alen DeRosa</i> | - | <i>Non-Public Arbitrator</i> |
| <i>J. Michael McGowan</i> | - | <i>Non-Public Arbitrator</i> |

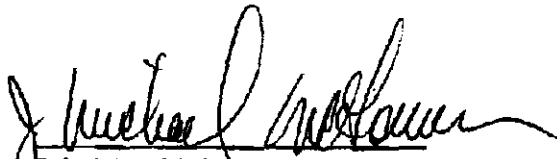
Concurring Arbitrators' Signatures

Robert D. Sussin, Esq.
Chair, Non-Public Arbitrator

Signature Date

John Alen DeRosa
Non-Public Arbitrator

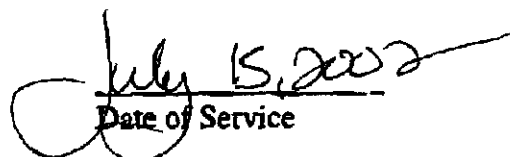
Signature Date



J. Michael McGowan
Non-Public Arbitrator

7-13-2002

Signature Date



Date of Service