

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Dr. Pervez Yusaf, Ezra Yusaf, Michael A. Yusaf,
Tania E. Yusaf, and Shakuntala Haroon

and

01-00896
Southfield, Michigan

Raymond James & Associates, Inc.
William C. Mueller

REPRESENTATION OF PARTIES

Dr. Pervez Yusaf, Ezra Yusaf, Michael A. Yusaf, Tania E. Yusaf, and Shakuntala Haroon ("Claimants") were represented by Scott L. Mandel, Esq., Foster, Swift, Collins & Smith, P.C., Lansing, Michigan.

Raymond James & Associates, Inc. ("RJA") and William C. Mueller ("Mueller"), hereinafter referred to as "Respondents" were represented by Raymond W. Henney, Esq., Honigman Miller Schwartz & Cohn LLP, Detroit, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about February 21, 2001. The Submission Agreement of Claimant Dr. Pervez Yusaf, Ezra Yusaf, Michael A. Yusaf, Tania E. Yusaf, and Shakuntala Haroon was signed on or about February 17, 2001.

Statement of Answer was filed by Respondents RJA and Mueller on or about April 11, 2001. The Submission Agreement of Respondent William C. Mueller was signed on or about March 5, 2001, by Paul L. Matecki, Esq., Corporate Counsel. The Submission Agreement of Respondent William C. Mueller was signed on or about March 14, 2001.

CASE SUMMARY

Claimants asserted causes of action including the following: breach of contract and warranties, promissory estoppel, violation of the Federal Securities Exchange Act and NASD Rules of Fair Practice, and common law claims for negligent and/or innocent misrepresentations of material fact, breach of fiduciary duty, and breach of duty of good faith and fair dealing. The causes of action relate to monitoring, supervision, and execution of orders of Claimants' accounts.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted defenses including the following: Claimants' breach of contract and warranties and promissory estoppel claims are not recognized legal claims, Claimants' Federal Securities Law Claim fails because Claimants have not alleged and cannot show that Respondents acted with the requisite scienter, and a private cause of action cannot be based upon violations of the NASD Rules.

RELIEF REQUESTED

Claimants requested an award in the amount in excess of \$10,000,000.00, plus costs and interest, plus attorney's fees, including on appeal, if any, in addition to punitive damages and any and all other relief properly demonstrated by Claimants and available under the authority of the Arbitration Panel.

Respondents requested that the claims asserted against them be dismissed in their entirety, that forum fees assessed against Claimants and that Respondent Mueller's record expunged.

OTHER ISSUES CONSIDERED & DECIDED

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(s) remain on file with the NASD Dispute Resolution, Inc. (the "NASD").

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.) Claimants' claims, each and all, are dismissed with prejudice;
- 2.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent William C. Mueller's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Mueller must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 4.) That any relief not specifically enumerated, including punitive damages is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 600.00

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 Raymond James & Associates, Inc.

Member surcharge = \$ 3,600.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 5,000.00

Forum Fees and Assessments

The Arbitration 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:

Two (2) Pre-hearing sessions with a single arbitrator x \$450.00 = \$ 900.00

Pre-hearing conferences: September 13, 2001 1 session
January 4, 2002 1 session

One (1) Pre-hearing session with Panel x \$1,200.00 = \$ 1,200.00

Pre-hearing conference: August 3, 2001 1 session

Thirteen (13) Hearing sessions x \$1,200.00 = \$15,600.00

Hearing Dates: March 25, 2002 2 sessions
March 26, 2002 2 sessions
March 27, 2002 2 sessions
April 22, 2002 2 sessions
May 1, 2002 2 sessions
May 2, 2002 1 session
May 9, 2002 2 sessions

Total Forum Fees = \$17,700.00

The Arbitration Panel has assessed \$10,620.00 of the forum fees, jointly and severally, to Dr. Pervez Yusaf, Ezra Yusaf, Michael A. Yusaf, Tania E. Yusaf, and Shakuntala Haroon.

The Arbitration Panel has assessed \$7,080.00 of the forum fees to RJA.

Fee Summary

Claimants, Dr. Pervez Yusaf, Ezra Yusaf, Michael A. Yusaf, Tania E. Yusaf, and Shakuntala Haroon, are jointly and severally liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 10,620.00
<u>Total Fees</u>	<u>= \$ 11,220.00</u>
<u>Less payments</u>	<u>= \$ 1,800.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 9,420.00

Respondent, Raymond James & Associates, Inc., is liable for:

Member Fees	= \$ 9,200.00
Forum Fees	= \$ 7,080.00
<u>Total Fees</u>	<u>= \$ 16,280.00</u>
<u>Less payments</u>	<u>= \$ 8,600.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 7,680.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Edward M. Olson, Esq. - Public Arbitrator, Presiding Chair

Thomas Kizer, Jr., Esq. - Public Arbitrator

Jennifer Ann Shandler - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Edward M. Olson, Esq.

Edward M. Olson, Esq.

Public Arbitrator, Presiding Chair

05/22/02

Signature Date

/s/ Thomas Kizer, Jr., Esq.

Thomas Kizer, Jr., Esq.

Public Arbitrator

05/22/02

Signature Date

/s/ Jennifer Ann Shandler

Jennifer Ann Shandler

Non-Public Arbitrator

05/22/02

Signature Date

05/23/02

Date of Service (For NASD office use only)

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