

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Soraya Khamsi and Marcus M. Sharei, Claimants v. Charles Schwab & Co., Inc. Respondents

Case Number: 01-02676

Hearing Site: San Francisco, California

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**REPRESENTATION OF PARTIES**

For Claimant Soraya Khamsi:

Soraya Khamsi  
In Propria Persona  
Emeryville, California

For Claimant Marcus M. Sharei:

Marcus M. Sharei  
In Propria Persona  
Emeryville, California

For Respondent:

Mauricio S. Beugelmans, Esq.  
Charles Schwab & Co., Inc.  
San Francisco, California

**CASE INFORMATION**

Statement of Claim filed: May 21, 2001

Claimants' Uniform Submission Agreement signed: May 16, 2001

Statement of Answer filed by Respondent: August 29, 2001

Respondent's Uniform Submission Agreement signed: August 29, 2001

**CASE SUMMARY**

Claimants alleged negligence, failure to supervise, misrepresentation/non-disclosure and omission of facts involving margin calls and Flextronics International, Ltd.

Respondent denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

**RELIEF REQUESTED**

Claimants requested \$353,049.00 in compensatory damages or replacement of stock, and reimbursement of arbitration costs.

Respondent requested dismissal of the Claimants' Statement of Claim in its entirety and reimbursement of arbitration costs.

**OTHER ISSUES CONSIDERED AND DECIDED**

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

Claimants' claims are denied in their entirety.

The parties shall bear their respective costs, including attorney's fees.

All other relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

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

Initial claim filing fee	= \$ 300.00
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#### **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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Charles Schwab & Co., Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
<b>Total Member Fees</b>	<b>= \$ 4,600.00</b>

#### **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 Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: December 18, 2001 1 session	

Four (4) Hearing sessions @ \$1,125.00/session	= \$ 4,500.00
Hearings: March 19, 2002 2 sessions	
March 20, 2002 2 sessions	

<b>Total Forum Fees</b>	<b>= \$ 5,625.00</b>
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The Panel assessed \$5,625.00 of the forum fees jointly and severally to Claimants Soraya Khamisi and Marcus M. Sharei.

**Fee Summary**

1. Claimants Soraya Khamisi and Marcus M. Sharei are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 5,625.00</u>
Total Fees	= \$ 5,925.00
<u>Less payments</u>	<u>= \$(1,425.00)</u>
<b>Balance Due NASD Dispute Resolution, Inc.</b>	<b>= \$ 4,500.00</b>

2. Respondent Charles Schwab & Co., Inc., is charged with the following fees and costs:

<u>Member Fees</u>	<u>= \$ 4,600.00</u>
Total Fees	= \$ 4,600.00
<u>Less payments</u>	<u>= \$(4,600.00)</u>
<b>Balance Due NASD Dispute Resolution, Inc.</b>	<b>= \$ 0.00</b>

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

**ARBITRATION PANEL**

<i>Jeffrey M. Allen, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Helen Marinak Blohm, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Anthony J. Nyberg</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
Jeffrey M. Allen, Esq.  
Chair, Public Arbitrator

\_\_\_\_\_  
Signature Date

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Helen Marinak Blohm, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Anthony J. Nyberg  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

May 08, 2002  
Date of Service

**ARBITRATION PANEL**

<i>Jeffrey M. Allen, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Helen Marinak Blohm, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Anthony J. Nyberg</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

  
Jeffrey M. Allen, Esq.  
Chair, Public Arbitrator

5/7/02  
Signature Date

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Helen Marinak Blohm, Esq.  
Public Arbitrator

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Signature Date

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Anthony J. Nyberg  
Non-Public Arbitrator

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Signature Date

5/8/02  
Date of Service

**ARBITRATION PANEL**

<i>Jeffrey M. Allen, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Helen Marinak Blohm, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Anthony J. Nyberg</i>	-	<i>Non-Public Arbitrator</i>

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Signature Date

  
\_\_\_\_\_  
Anthony J. Nyberg  
Non-Public Arbitrator

5/7/02  
\_\_\_\_\_  
Signature Date

5/8/02  
\_\_\_\_\_  
Date of Service