

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:  
Parmanand and Renu Kumar, Claimants v. Brown & Company Securities Corporation  
and Mike Little, Respondents

Case Number: 01-06876

Hearing Site: Los Angeles, California

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Nature of the Dispute: Customers v. Member and Associated Person

**REPRESENTATION OF PARTIES**

For Claimants:

Marc I. Zussman, Esq.  
Law Offices of Marc I. Zussman  
Los Angeles, California

For Respondents:

Michele R. Fron, Esq.  
Scott Rahn, Esq.  
Keesal, Young & Logan  
Long Beach, California

**CASE INFORMATION**

Statement of Claim filed: December 10, 2001

Amended Statement of Claim filed: June 10, 2003

Claimants' Joint Uniform Submission Agreement signed: December 1, 2001

Joint Statement of Answer filed by Respondents: April 17, 2002

Respondents' Joint Uniform Submission Agreement signed: March 4, 2002

**CASE SUMMARY**

Claimants alleged breach of contract, negligence, failure to supervise, wrong execution of trade, breach of fiduciary duty, misrepresentation, fraud, unauthorized trading, and manipulation. Claimants' claims related to Respondents' failure to properly execute an order to sell certain puts.

Respondents denied each and every allegation of wrongdoing and liability set forth or implied in Claimants' Statements of Claim. Respondents further denied that Claimants were injured in the amount claimed, or in any amount, by virtue of any conduct by Respondents.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimants requested \$100,000.00 in compensatory damages, unspecified punitive damages, prejudgment interest from December 30, 2001 to the date of Award, and costs, including attorney's fees.

In the Amended Statement of Claim, Claimants increased their request for compensatory damages to \$306,869.76.

Respondents requested that all Claimants' claims be dismissed with prejudice, that Respondents be awarded their attorneys' fees and costs, and that the Panel recommend the expungement of the above captioned arbitration from Respondent Mike Little's registration records maintained by the NASD Central Registration Depository.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On November 6, 2006, Claimants dismissed Respondent Mike Little with prejudice. Thereafter, Claimants and Respondent Brown & Company Securities Corporation entered into a confidential settlement agreement. On November 30, 2006, Claimants dismissed with prejudice all claims against Respondent Brown & Company Securities Corporation.

Respondents moved for expungement of the above captioned arbitration from Respondent Mike Little's registration records maintained by the NASD Central Registration Depository on the grounds that he was not involved in the investment-related sales practice violations alleged in the above captioned arbitration.

Claimant filed a non-opposition to Respondents' expungement motion.

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

### **AWARD**

After considering the pleadings and the parties' request for this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have entered into a confidential settlement agreement.
2. Claimants' claims are dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Mike Little's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Mike Little must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. The parties shall bear their respective costs, including attorney's fees.
5. 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	= \$ 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 Brown & Company Securities Corporation is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,750.00
<b>Total Member Fees</b>	<b>= \$ 5,200.00</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 Chair/Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$1,125.00/session = \$ 1,125.00  
Pre-hearing conference: August 16, 2005 1 session

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**Total Forum Fees** = \$ 1,125.00

1. The Panel assessed \$562.50 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$562.50 of the forum fees jointly and severally to Respondents.

### **Fee Summary**

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
<hr/> Total Fees	<hr/> = \$ 862.50
Retained deposit in accordance with Rule 10332(f) of the Code	= \$ 562.50
Less payments	= \$( 975.00)
<hr/> <b>Balance Due NASD Dispute Resolution</b>	<hr/> <b>= \$ 450.00</b>

2. Respondent Brown & Company Securities Corporation is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Less payments	= \$(3,550.00)
<hr/> <b>Balance Due NASD Dispute Resolution</b>	<hr/> <b>= \$ 1,650.00</b>

3. Respondents are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 562.50
Less payments	= \$( 0.00)
<hr/> <b>Balance Due NASD Dispute Resolution</b>	<hr/> <b>= \$ 562.50</b>

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**

Alan Stamm	-	Public Arbitrator, Presiding Chair
Robert J. Ruben	-	Public Arbitrator
Robert P. Clifford	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
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Alan Stamm  
Chair, Public Arbitrator

2007  
January 9, 2006 *al*  
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Signature Date

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Robert J. Ruben  
Public Arbitrator

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Signature Date

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Robert P. Clifford  
Non-Public Arbitrator

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

1/19/07  
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Date of Service

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Robert J. Ruben	-	Public Arbitrator
Robert P. Clifford	-	Non-Public Arbitrator

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Alan Stamm  
Chair, Public Arbitrator

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Signature Date

  
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Robert J. Ruben  
Public Arbitrator

1/9/07  
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Signature Date

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Robert P. Clifford  
Non-Public Arbitrator

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Signature Date

1/10/07  
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Date of Service

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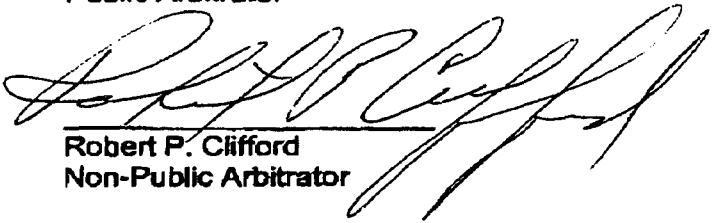
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