

BINDER COPY

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Massoud Sahami, Claimant v. Newpoint Securities, LLC and John Farahi, Respondents

Case Number: 02-03334

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimant:

Thomas G. Best, Esq.
Law Offices of Thomas G. Best
San Francisco, California

For Respondents:

Steven L. Miller, Esq.
Law Offices of Steven Miller
Encino, California

CASE INFORMATION

Statement of Claim filed: June 5, 2002

Claimant's Uniform Submission Agreement signed: June 5, 2002

Joint Statement of Answer filed by Respondents: August 7, 2002

Respondent Newpoint Securities, LLC's Uniform Submission Agreement: Signed, but not dated

Respondent John Farahi's Uniform Submission Agreement: Signed, but not dated

CASE SUMMARY

Claimant alleged violation of NASD rules, violation of state securities laws, negligence, breach of fiduciary duty, breach of contract, breach of the implied covenant of good faith and fair dealing, fraud and deceit, financial abuse of an elder, and unfair business practices. Claimant's allegations involved unspecified securities, including, but not limited to, stocks and options.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$112,900.00, punitive damages in the amount of \$338,700.00, disgorgement and costs, including attorney's fees.

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

OTHER ISSUES CONSIDERED AND DECIDED

On June 27, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On December 18, 2003, Claimant filed a Request for Dismissal of the entire claim against Respondent John Farahi. After due deliberation, the Panel granted the request.

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. Claimant and Respondents have entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent John Farahi's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent John Farahi must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The parties shall bear their respective costs, including attorney's fees.
4. 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 that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Newpoint Securities, LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

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 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: November 6, 2003 1 session	

Total Forum Fees	= \$ 1,125.00
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1. The Panel assessed \$ 562.50 of the forum fees to Massoud Sahami.
2. The Panel assessed \$ 562.50 of the forum fees jointly and severally to Newpoint Securities, LLC and John Farahi.

Fee Summary

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

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less payments</u>	= \$(1,425.00)
Refund Due Claimant	= \$(562.50)

2. Respondent Newpoint Securities, LLC is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
<u>Less payments</u>	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00


3. Respondents Newpoint Securities, LLC and John Farahi are charged jointly and severally with the following fees and costs:

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

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

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Arbitration No. 02-03334
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Parties' Signatures



Thomas G. Best, Esq.
on behalf of Claimant Massoud Sahami

03-15-04
Signature Date


Steven L. Miller, Esq.
on behalf of Respondents Newpoint Securities, LLC
and John Farahi

Signature Date

Parties' Signatures

Thomas G. Best, Esq.
on behalf of Claimant Massoud Sahami

Signature Date


Steven L. Miller, Esq.
on behalf of Respondents Newpoint Securities, LLC
and John Farahi

7-25-01
Signature Date

ARBITRATION PANEL

Mario Henry Barsotti

Albert Loeb Boasberg, Esq.

Paul J. Dubow, Esq.

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures



Mario Henry Barsotti
Chair, Public Arbitrator

4/17/04
Signature Date

Albert Loeb Boasberg, Esq.
Public Arbitrator

Signature Date

ARBITRATION PANEL

Mario Henry Barsotti	-	Public Arbitrator, Presiding Chair
Albert Loeb Boasberg, Esq.	-	Public Arbitrator
Paul J. Duhow, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Mario Henry Barsotti
Chair, Public Arbitrator

Signature Date


Albert Loeb Boasberg, Esq.
Public Arbitrator

Signature Date

Paul J. Duhow, Esq.
Non-Public Arbitrator

Signature Date

Date of Service

ARBITRATION PANEL

Mario Henry Barnetti	-	Public Arbitrator, Presiding Chair
Albert Loeb Boasberg, Esq.	-	Public Arbitrator
Paul J. Duhow, Esq.	-	Non-Public Arbitrator

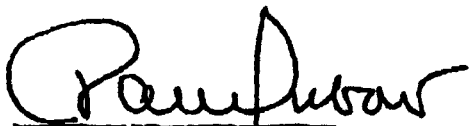
Concurring Arbitrators' Signatures

Mario Henry Barnetti
Chair, Public Arbitrator

Signature Date

Albert Loeb Boasberg, Esq.
Public Arbitrator

Signature Date



Paul J. Duhow, Esq.
Non-Public Arbitrator

4/8/04

Signature Date

Date of Service