

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 02-07477

Farideh Korvalian, claimant/counterclaim respondent vs. John Farahi and Newport Securities, L.L.C., respondents/counterclaim claimants.

ATTORNEYS:

Claimant/counterclaim respondent appeared pro se, Irvine, CA.

For Respondents/counterclaim claimants appeared Todd A. Broock, Esq., of the firm Liner Yankelevitz Sunshine & Regenstreif LLP, Los Angeles, CA.

DATE FILED: December 11, 2002

CASE SUMMARY: Claimant/counterclaim respondent alleged that respondents/counterclaim claimants mismanaged, neglected and did properly supervise her account. Claimant/counterclaim respondent's claim involved common stock. Claimant/counterclaim respondent maintained that because of respondents/counterclaim claimants' actions, her account suffered a loss.

COUNTERCLAIM SUMMARY: Respondents/counterclaim claimants alleged that claimant/counterclaim respondent is trying to blame them for losses incurred while her account was handled by a different firm.

Claim Data

Claim: \$17,741.32
Punitive: \$5,000.00
Filing Fees: \$425.00

Award Data

Award: \$17,741.32
Punitive: \$.00
Filing Fees: \$425.00

Counterclaim Data

Claim: \$10,000.01
Attorney Fees: Unspecified
Filing Fees: Unspecified

Award Data

Award: \$.00
Attorney Fees: \$.00
Filing Fees: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents/counterclaim claimants are jointly and severally liable and shall pay to the claimant/counterclaim respondent \$17,741.32. 2) All requests for punitive damages are denied. 3) All other relief requests are denied. 4) The \$425.00 filing fee previously deposited with NASD Dispute Resolution by the claimant/counterclaim respondent, shall be retained by NASD Dispute Resolution. 5) Respondents/counterclaim claimants are jointly and severally liable and shall pay claimant/counterclaim respondent \$425.00 as reimbursement of the filing fee. 6) The arbitrator recommends the expungement of all reference to the above captioned arbitration from Respondents/counterclaim claimants John Farahi's and Newport Securites, L.L.C.'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, Respondents/counterclaim claimants John Farahi and Newpoint Securities, L.L.C. must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.

COUNTERCLAIM AWARD: The undersigned arbitrator has decided and determined in full and final resolution of issues submitted for determination as follows: 1) The claims of the respondents/counterclaim claimants are dismissed in their entirety. 2) All requests for attorney fees are denied. 3) The \$1,050.00 filing fee previously deposited with NASD Dispute Resolution by respondents/counterclaim claimants shall be retained by NASD Dispute Resolution.

OTHER FEES: Pursuant to Rule 10333 of the Code, respondent, Newpoint Securities, L.L.C., has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

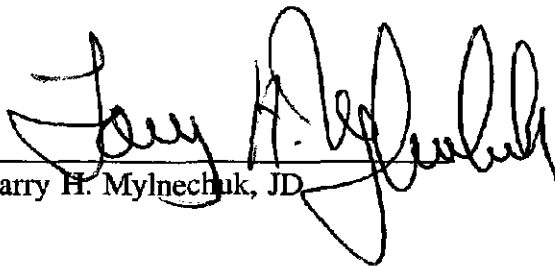
Page Three
Award 02-07477

Larry H. Mylnechuk, JD

Sole Public Arbitrator

AFFIRMATION

I, Larry H. Mylnechuk, JD, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


Larry H. Mylnechuk, JD

5-12-03
Signature Date

May 23, 2003
Date of Service (For NASD-DR office use only)