
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Avinash and Poornima Gupta

Case Number: 03-02557

Name of the Respondent

J.P. Morgan Invest, LLC

f/k/a Brown & Company Securities Corporation

Hearing Site: Tampa, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Avinash and Poornima Gupta, hereinafter referred to as "Claimant": Jerry I. Lefkowitz, Esq., Lake Success, New York.

For J.P. Morgan Invest, LLC f/k/a Brown & Company Securities Corporation, hereinafter referred to as "Respondent J.P. Morgan Invest": David P. Ackerman, Esq., Ackerman, Link & Satory, P.A., West Palm Beach, Florida, and James B. Fox, Esq., Bernkopf, Goodman, & Baseman, LLP, Boston, Massachusetts.

CASE INFORMATION

Statement of Claim filed on or about: April 7, 2003.

Claimant signed the Uniform Submission Agreement on: April 2, 2003.

Statement of Answer and Motion to Dismiss filed by Respondent J.P. Morgan Invest on or about: June 9, 2003.

Affidavit in Opposition to Motion to Dismiss filed by Claimant on or about: February 19, 2004.

Memorandum of Law in Opposition to Motion to Dismiss filed by Claimant on or about: February 20, 2004.

Response to Claimant's Affidavit in Opposition to Motion to Dismiss filed by Respondent J.P. Morgan Invest on or about: February 27, 2004.

CASE SUMMARY

Claimant alleged the following causes of action: 1) breach of contract; 2) negligence; 3) failure to supervise; 4) breach of fiduciary duty; 5) unauthorized trading; 6) omission of facts; 7) suitability; and 8) manipulation. The causes of action relate to the failure to notify Claimant of various margin calls in their trading account and the subsequent liquidation of certain assets including investments in unspecified corporate bonds and common stock.

Unless specifically admitted in its Answer, Respondent J.P. Morgan Invest denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$13,192,831.15; 2) treble damages; 3) punitive damages; 4) interest at the Florida statutory rate of 10%; 5) costs; 6) attorneys' fees in an amount to be determined by a court of competent jurisdiction; and 7) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondent J.P. Morgan Invest requested: 1) dismissal of the Statement of Claim in its entirety; 2) costs; and 3) attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

The Statement of Claim identifies Brown & Company Securities Corporation and J.P. Morgan Chase & Company as Respondents. On or about July 10, 2003, Claimant filed the parties' Stipulation of Dismissal as to Respondent J.P. Morgan Chase & Company and to Substitute J.P. Morgan Invest, LLC for Brown & Company Securities Corporation. It was stipulated and agreed, *inter alia*, that J.P. Morgan Chase & Company would be dismissed without prejudice and that J.P. Morgan Invest, LLC – a successor by merger of Brown & Company Securities Corporation – would be substituted for Brown & Company Securities Corporation as Respondent.

On March 4, 2004, the Panel conducted an in-person pre-hearing conference with the parties on Respondent J.P. Morgan Invest's Motion to Dismiss. On or about March 10, 2004, the Panel ordered that: 1) Claimant's Motion to Compel is denied; 2) forum fees shall be borne equally by the parties; and 3) Respondent J.P. Morgan Invest's Motion to Dismiss is granted, with prejudice.

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, the testimony and evidence presented at the in-person pre-hearing conference held on March 4, 2004, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims, including claims under Chapter 517, Florida Statutes, are dismissed with prejudice.
2. Claimant's requests for costs and attorneys' fees are denied.
3. Respondent J.P. Morgan Invest's requests for costs and attorneys' fees are denied.
4. Any and all claims or relief not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect 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. Accordingly, Respondent J.P. Morgan Invest is a member firm and a party.

Member surcharge = \$3,750.00

Pre-hearing process fee = \$ 750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with Panel @ \$1,200.00 per session = \$2,400.00

Pre-hearing conferences: October 1, 2003 1 session

March 4, 2004 1 session

Total Forum Fees = \$2,400.00

The Panel has assessed forum fees in the amount of \$1,200.00 to Claimant.

The Panel has assessed forum fees in the amount of \$1,200.00 to Respondent J.P. Morgan Invest.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$1,200.00
Total Fees	= \$1,800.00
Less payments	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent J.P. Morgan Invest is solely liable for:

Member Fees	= \$4,500.00
Forum Fees	= \$1,200.00
Total Fees	= \$5,700.00
Less payments	= \$4,500.00
Balance Due NASD Dispute Resolution	= \$1,200.00

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

ARBITRATION PANEL

<i>Jack W. Windt</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Thomas K. Goldie</i>	-	<i>Public Arbitrator</i>
<i>Lewis W. Slaughter</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Jack W. Windt
Public Arbitrator, Presiding Chairperson

March 17, 2004
Signature Date

/s/
Thomas K. Goldie
Public Arbitrator

March 14, 2004
Signature Date

NASD Dispute Resolution
Arbitration No. 03-02557
Award Page 5

/s/
Lewis W. Slaughter
Non-Public Arbitrator

March 17, 2004
Signature Date

March 17, 2004
Date of Service (For NASD Dispute Resolution office use only)

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$1,200.00
Total Fees	= \$1,800.00
Less payments	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent J.P. Morgan Invest is solely liable for:

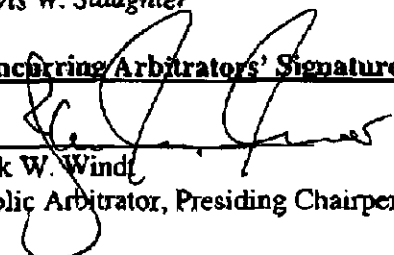
Member Fees	= \$4,500.00
Forum Fees	= \$1,200.00
Total Fees	= \$5,700.00
Less payments	= \$4,500.00
Balance Due NASD Dispute Resolution	= \$1,200.00

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

ARBITRATION PANEL

Jack W. Windt	-	Public Arbitrator, Presiding Chairperson
Thomas K. Goldie	-	Public Arbitrator
Lewis W. Slaughter	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jack W. Windt
Public Arbitrator, Presiding Chairperson

3/17/04
Signature Date

Thomas K. Goldie
Public Arbitrator

Signature Date

Mar 16, 2004 5:34PM NASD

No. 3011 P. 5/6

NASD Dispute Resolution
Arbitration No. 03-02557
Award Page 4

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$1,200.00
Total Fees	= \$1,800.00
Less payments	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent J.P. Morgan Invest is solely liable for:

Member Fees	= \$4,500.00
Forum Fees	= \$1,200.00
Total Fees	= \$5,700.00
Less payments	= \$4,500.00
Balance Due NASD Dispute Resolution	= \$1,200.00

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

ARBITRATION PANEL

Jack W. Windt	-	Public Arbitrator, Presiding Chairperson
Thomas K. Goldie	-	Public Arbitrator
Lewis W. Slaughter	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Jack W. Windt
Public Arbitrator, Presiding Chairperson


Thomas K. Goldie
Public Arbitrator

Signature Date

3/14/04
Signature Date

Award Page 5

Signature Date

Date of Service (For NASD Dispute Resolution office use only)