

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Hed and Ashraff Ahmadpour and The Hed Ahmadpour Family Trust dtd 03/12/93, Claimants v.
UBS Financial Services Inc., Mitchell S. Ackerman, Robert Bender & Associates, Robert L.
Bender, Shahram Motamedi, Respondents

Case Number: 04-00083

Hearing Site: Los Angeles, California

Nature of the Dispute: Customers v. Member, Associated Persons, and Non-Members

REPRESENTATION OF PARTIES

For Claimants Hed and Ashraff Ahmadpour and
The Hed Ahmadpour Family Trust:

Steven B. Lehat, Esq.
Law Offices of Steven B. Lehat
Irvine, California

For Respondents UBS Financial Services Inc.,
Mitchell S. Ackerman and Shahram Motamedi:

George M. Garvey, Esq.
Munger, Tolles & Olson, LLP
Los Angeles, California

CASE INFORMATION

Joint Statement of Claim filed: January 2, 2004

Claimants' Joint Uniform Submission Agreement signed: January 23, 2004

Joint Statement of Answer filed by Respondents UBS Financial Services, Inc., Mitchell S.
Ackerman and Shahram Motamedi: May 21, 2004

Respondent UBS Financial Services Inc.'s Uniform Submission Agreement signed:
May 26, 2004

Respondent Mitchell S. Ackerman's Uniform Submission Agreement signed: May 27, 2004

Respondent Shahram Motamedi's Uniform Submission Agreement signed: May 20, 2004

CASE SUMMARY

Claimants alleged breach of fiduciary duty, negligence, unsuitability, unauthorized trading, misrepresentation, non-disclosures, omissions of fact, churning, and failure to supervise. Claimants' allegations concerned the use of margin and transactions in securities including, but not limited to AOL Time Warner Inc., Brocade Communications Systems Inc., Broadvision Inc., Check Point Software Tech Ltd., Ciena Corp., Cisco Systems Inc., Corning Inc., Home Depot Inc., JDS Uniphase Corp., Microsoft Corp., McDonalds Corp., Medtronic Inc., Network Appliance Inc., Microvision Inc., Nokia Corp., Oracle Corp., Power One Inc., Qualcomm Inc., Quintiles Transnational Corp., Staples Inc., Synopsys Inc., Triquint Semiconductor Inc., Tweeter Home Entertainment Group Inc., Veritas Software Corp., Verisign Inc., and Watson Pharmaceutical Inc.

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

RELIEF REQUESTED

Claimants requested \$646,742.00 in compensatory damages, \$1,940,226.00 in punitive damages, \$258,696.80 in interest, and costs, including attorney's fees.

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

OTHER ISSUES CONSIDERED AND DECIDED

On March 22, 2004, Claimants and Claimants' 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 waivers of the Claimants 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.

Respondents Robert L. Bender and Robert Bender & Associates were not required to submit to arbitration pursuant to the Code of Arbitration Procedure. On January 28, 2005, Claimants dismissed with prejudice Respondents Robert L. Bender and Robert Bender & Associates.

On February 25, 2005, Claimants dismissed Respondent Mitchell S. Ackerman with prejudice and Respondent Shahram Motamedi without prejudice.

On June 6, 2005 Respondents Mitchell Ackerman and Shahram Motamedi filed an Application for Expungement Order on the grounds that the allegations made against them were clearly erroneous and factually impossible. Claimants filed their Response to the motion on June 20, 2005. On June 22, 2005 Respondents Ackerman and Motamedi filed a Reply to Claimants' Response. By this award, the Panel grants Respondents Mitchell Ackerman and Shahram Motamedi's request for recommendation of expungement.

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 and other evidence presented, 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 Respondents Mitchell S. Ackerman's and Shahram Motamedi's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Mitchell S. Ackerman and Shahram Motamedi must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 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	= \$ 500.00
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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 UBS Financial Services Inc. is a party and the following fees are assessed:

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$5,000.00</u>
Member Fees	= \$8,550.00

Adjournment Fees

The following adjournment fees are assessed:

June 20-24, 2005 adjournment requested by Claimants

The Panel waived assessment of the Adjournment Fee.

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 or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$1,200.00
<u>Pre-hearing conference: August 24, 2004</u>	<u>1 session</u>
Total Forum Fees	= \$1,200.00

1. The Panel assessed \$ 600.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$ 600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants Hed and Ashraff Ahmadpour and the Hed Ahmadpour Family Trust are charged with the following fees and costs:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 1,100.00
<u>Less Payments</u>	= \$(1,700.00)
Refund Paid to Claimants	= \$ (600.00)

2. Respondent UBS Financial Services Inc. is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
<u>Less Payments</u>	= \$(8,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents UBS Financial Services Inc., Mitchell S. Ackerman, and Shahram Motamedi are charged jointly and severally with the following fees and costs:

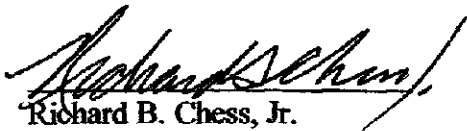
<u>Forum Fees</u>	= \$ 600.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

<i>Richard B. Chess, Jr.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Michael W. Delaney</i>	-	<i>Public Arbitrator</i>
<i>Michael G. Clark</i>	-	<i>Public Arbitrator</i>

Concurring Arbitrators' Signatures


Richard B. Chess, Jr.
Chair, Public Arbitrator

Aug. 4, 2005
Signature Date

Michael W. Delaney
Public Arbitrator

Signature Date

Michael G. Clark
Public Arbitrator

Signature Date

August 10, 2005
Date of Service

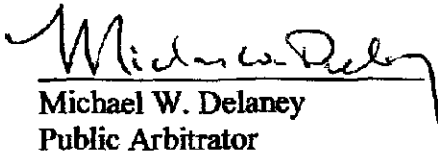
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<i>Michael W. Delaney</i>	-	<i>Public Arbitrator</i>
<i>Michael G. Clark</i>	-	<i>Public Arbitrator</i>

Concurring Arbitrators' Signatures

Richard B. Chess, Jr.
Chair, Public Arbitrator

Signature Date


Michael W. Delaney
Public Arbitrator

8-4-05
Signature Date

Michael G. Clark
Public Arbitrator

Signature Date

August 10, 2005
Date of Service

ARBITRATION PANEL

<i>Richard B. Chess, Jr.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Michael W. Delaney</i>	-	<i>Public Arbitrator</i>
<i>Michael G. Clark</i>	-	<i>Public Arbitrator</i>

Concurring Arbitrators' Signatures

Richard B. Chess, Jr.
Chair, Public Arbitrator

Signature Date

Michael W. Delaney
Public Arbitrator

Signature Date



Michael G. Clark
Public Arbitrator

August 5, 2005
Signature Date

August 10, 2005
Date of Service