
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Mohammed Khan

Case Number: 04-01257

Names of the Respondents
Elangovan Surendran
Continental Broker-Dealer Corp., Inc.

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

Mohammed Khan, hereinafter referred to as "Claimant" appeared pro se.

For Respondent Elangovan Surendran ("Surendran"): Harry J. Delagrammatikas, Esq., Liam O'Brien & Associates, P.C., New York, New York until his withdrawal of counsel on or about March 4, 2005. Thereafter, Howard J. Stein, Esq., Howard J. Stein, Attorney at Law, Chicago, Illinois appeared for Respondent Surendran.

For Respondent Continental Broker-Dealer Corp., Inc. ("Continental"): Roderick W. Ryan, Esq., Liam O'Brien & Associates, P.C., New York, New York until his withdrawal of counsel on or about September 23, 2004. Thereafter, Respondent Continental did not appear.

CASE INFORMATION

Statement of Claim filed on or about: February 26, 2004.

Claimant signed the Uniform Submission Agreement: March 10, 2004.

Statement of Answer filed by Respondent Surendran on or about: June 4, 2004.

Statement of Answer filed by Respondent Continental on or about: July 19, 2004.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted that Respondent Surendran never explained the risks associated with utilizing an option strategy on trading on margin. Claimant further asserted that Respondent Surendran used his discretion to make stock and options trades in Claimant's account without authorization, and that Respondent Surendran traded in Claimant's account solely to generate commissions. The causes of action relate to the purchase and sale of the common stock Oracle in Claimant's account.

Unless specifically admitted in his Answer, Respondent Surendran denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$14,713.00, punitive damages in the amount of \$20,000.00 and costs in the amount of \$2,750.00.

Respondent Surendran requested that Claimant's Statement of Claim be dismissed with prejudice, with an award of his attorneys' fees, costs and such other and further relief as is just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Surendran did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code"), and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Arbitrator on all issues submitted.

On or about August 19, 2004, Continental Broker-Dealer Corp., Inc. filed for protection pursuant to Chapter 7 of the United States Bankruptcy Code. As such, all proceedings with respect to Respondent Continental were stayed and the Arbitrator made no determination with respect to this party.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

The Arbitrator finds for Respondent Surendran.

Claimant's claims are dismissed with prejudice.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages and Respondent Surendran's request for attorneys' fees, are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$ 175.00

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.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

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.

No injunctive relief fees were incurred in this matter.

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 arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Arbitrator @ \$450.00 per session	= \$450.00
Pre-hearing conference: August 20, 2004 1 session	

One (1) Hearing session @ \$450.00 per session	= \$450.00
Hearing Date: June 7, 2005 1 session	

Total Forum Fees	= \$900.00
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The Arbitrator has assessed \$900.00 of the forum fees to Respondent Surendran.

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 are not limited to: additional copies of arbitrator awards; copies of audio transcripts; retrieval of documents from archives; interpreters; and, security.

No administrative costs were incurred in this matter.

Fee Summary

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 175.00
<u>Total Fees</u>	= \$ 175.00
<u>Less payments</u>	= \$ 175.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent Surendran is solely liable for:

<u>Forum Fees</u>	= \$ 900.00
<u>Total Fees</u>	= \$ 900.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 900.00

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

ARBITRATOR

Sheldon N. Reibman, Esq.

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Public Arbitrator, Presiding Chairperson

/s/

06/09/05

Sheldon N. Reibman, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

06/09/2005

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

Fee Summary

Claimant is solely liable for:

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<u>Less payments</u>	= \$ 175.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent Surendran is solely liable for:

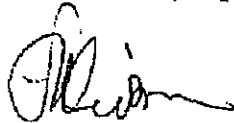
<u>Forum Fees</u>	= \$ 900.00
<u>Total Fees</u>	= \$ 900.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 900.00

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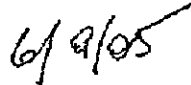
ARBITRATOR

Sheldon N. Reibman, Esq.

- Public Arbitrator, Presiding Chairperson



Sheldon N. Reibman, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

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