

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:
Marsha Kline, Claimant v. Mo Belafkih, Respondent

Case Number: 04-06282

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Paul W. Thomas, Esq.
Paul W. Thomas & Associates
Carlsbad, California

For Respondent:

Mo Belafkih
In Propria Persona
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: September 1, 2004

Claimant's Uniform Submission Agreement signed: September 1, 2004

Statement of Answer filed by Respondent: September 30, 2004

Respondent's Uniform Submission Agreement signed: September 30, 2004

CASE SUMMARY

Claimant alleged breach of a promissory note, involving a settlement in a previous NASD Arbitration case. The prior NASD Arbitration case number is 01-01122.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$17,000.00 in compensatory damages, \$575.00 in reimbursement for filing fees, \$750.00 in attorney's fees, prejudgment interest, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On December 22, 2004, 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 1, 2004, Claimant filed a request to have this matter decided on the papers submitted, without a formal hearing. Respondent did not file a response to Claimant's request. On March 13, 2005, the Arbitrator issued an Order requesting additional information, and stating that "[i]n the event I am able to make my decision based on the declarations, I will do so. If I need further information, I will notify you of the need for additional submissions or for oral argument." After the parties submitted additional information, the Arbitrator requested a telephonic conference with the parties. The Arbitrator and parties held a telephonic conference on June 27, 2005.

On June 29, 2005, Respondent filed a Motion to File a Counterclaim. On July 8, 2005, Claimant filed a response to Respondent's motion. On July 19, 2005, after due deliberation, the Arbitrator denied Respondent's Motion to File a Counterclaim.

The parties agreed that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings and testimony presented at the pre-hearing, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent is liable to and shall pay Claimant the sum of \$17,000.00 in compensatory damages.
- 2) Respondent is liable to and shall pay Claimant interest on the sum of \$17,000.00, at the legal rate provided by California law, from the date of this Award until the date that the Award is paid in full.
- 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	= \$ 125.00
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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 Raika Financial Group, Inc. employed the Respondent at the time of the events giving rise to this dispute, and the following fees are assessed:

Member Surcharge	= \$ 425.00
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Forum Fees and Assessments

The Arbitrator 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 Arbitrator. The following fees are assessed:

1 Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: June 27, 2005 1 session	

Forum Fee for Arbitrator decision on the paper record	= \$ 300.00
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Total Forum Fees	= \$ 750.00
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The Arbitrator assessed \$750.00 of the forum fees to Respondent.

Fee Summary

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

Initial Filing Fee	= \$ 125.00
<u>Less payments</u>	= \$(575.00)
Refund Due Claimant	= \$(450.00)

~~2.~~ Respondent is charged with the following fees and costs:

Forum Fees	= \$ 750.00
<u>Less payments</u>	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 750.00

3. Raike Financial Group, Inc. is charged with the following fees and costs:

Member Fees	= \$ 425.00
<u>Less payments</u>	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 425.00

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.

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ARBITRATOR

David Liebrader

Public Arbitrator, Presiding Chair

Arbitrator's Signature



David Liebrader
Chair, Public Arbitrator

9.5.05

Signature Date

9/8/05

Date of Service