

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Lowell F. and Sheila G. Gill, Claimants v. Indianapolis Securities, Inc., Mikhail S. Shklovsky, Roger Mezhibovsky, J.P. Turner & Company, L.L.C., and Yosif Hananiya, Respondents

Case Number: 05-00355

Hearing Site: Salt Lake City, Utah

Nature of the Dispute: Customers v. Members and Associated Persons

REPRESENTATION OF PARTIES

For Claimants:

Gary G. Sackett, Esq.
Jones Waldo Holbrook &
McDonough P.C.
Salt Lake City, Utah

For Respondent Indianapolis Securities, Inc.:

John Telfer, President
Indianapolis Securities, Inc.
Valley Stream, New York

For Respondent J.P. Turner & Company, L.L.C:

Dianne L. Papierniak, Esq.
J.P. Turner & Company, L.L.C.
Atlanta, Georgia

For Respondent Mikhail S. Shklovsky:

Mikhail S. Shklovsky
Pro Se
Brooklyn, New York

For Respondent Roger Mezhibovsky:

Howard S. Koh, Esq.
Meister Seelig & Fein LLP
New York, New York

For Respondent Yosif Hananiya:

Eric Rosenberg, Esq.
Altman & Company P.C.
New York, New York

CASE INFORMATION

Statement of Claim filed: January 21, 2005

Claimants' Joint Uniform Submission Agreement signed: January 13, 2005

Statement of Answer filed by Respondent J.P. Turner & Company, L.L.C.: April 11, 2005

Statement of Answer filed by Respondent Roger Mezhibovsky: March 28, 2005

Statement of Answer filed by Respondent Mikhail S. Shklovsky: May 4, 2005

Statement of Answer filed by Respondent Yosif Hananiya: June 14, 2005

Statement of Answer by Respondent Indianapolis Securities, Inc.: None Filed

Respondent J.P. Turner & Company, L.L.C.'s Uniform Submission Agreement signed:
April 11, 2005

Respondent Yosif Hananiya's Uniform Submission Agreement signed: June 17, 2005

Respondent Indianapolis Securities, Inc.'s Uniform Submission Agreement signed: None
submitted

Respondent Mikhail S. Shklovsky's Uniform Submission Agreement signed: None submitted

Respondent Roger Mezhibovsky's Uniform Submission Agreement signed: None submitted

CASE SUMMARY

Claimants alleged fraud, misrepresentation, failure to supervise, and breach of fiduciary duty involving the issuance and purchase of 25,000 shares of common stock in Cosmopolitan Research and Development, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested compensatory damages in the sum of \$50,000.00, unspecified punitive damages, pre- and post-judgment interest and costs, including attorneys' fees.

Respondents Mikhail S. Shklovsky, Roger Mezhibovsky, J.P. Turner & Company, L.L.C., and Yosif Hananiya, requested dismissal of the Claimants' Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing Claimants advised the Arbitrator that they had settled their dispute with Respondents J. P. Turner & Company, L.L.C, Yosif Hananiya and Roger Mezhibovsky.

Respondents Indianapolis Securities, Inc., Mikhail S. Shklovsky and Roger Mezhibovsky did not file with the NASD Dispute Resolution, properly executed submission agreements, however, all said Respondents are required to submit to arbitration and are bound by the determination of the Arbitrator on all issues submitted.

October 13, 2005, a telephonic pre-hearing conference was held, attended by Claimants, Respondents Mikhail S. Shklovsky and Yosif Hananiya, and the Arbitrator. On that date, during the telephone conference, Respondents Mikhail S. Shklovsky and Yosif Hananiya, moved the Panel to issue an Order Dismissing the Statement of Claim. The Arbitrator denied the motion. On October 13, 2005, during the telephone conference, Respondent Mikhail S. Shklovsky moved the Arbitrator to dismiss the claim against him, and, if denied, for permission to appear by telephone at the evidentiary hearing. Claimants opposed the motion. The Arbitrator denied the motions as not timely made and not supported by the necessary documents. Respondent Mikhail S. Shklovsky advised the Arbitrator that he would not be able to attend the evidentiary hearing calendared for October 17, 2005.

Mikhail S. Shklovsky and Indianapolis Securities, Inc. did not appear at the evidentiary hearing on October 17, 2005.

Upon review of the file and the representations made on behalf of the Claimants, the undersigned Arbitrator determined that Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky were properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

On or about September 14, 2005, Claimants filed a Motion for Default Order Against Respondent Indianapolis Securities, Inc. Respondent Indianapolis Securities Inc. did not appear at the hearing. At the hearing, the Arbitrator granted the Motion for Default.

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

AWARD

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

- 1) Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky are liable to and shall pay Claimants the sum of \$50,000.00 in compensatory damages.
- 2) Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky are jointly and severally liable and shall pay to Claimants treble damages in the sum of \$150,000.00, pursuant to Utah Statutes Sec. 61-1-22(1)(a).
- 3) Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky are jointly and severally liable to and shall pay Claimants the sum of \$193.57 as reimbursement for filing costs.
- 4) Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky are jointly and severally liable to and shall pay Claimants the sum of \$17,773.50 in attorney's fees, pursuant to Utah Statutes Sec. 61-1-22(1)(a).
- 5) Respondents Indianapolis Securities, Inc. and Mikhail S. Shklovsky are jointly and severally liable and shall pay Claimants interest on the sum of \$50,000.00 at a rate of 12% per annum from the date of the service of the award until the date compensatory damages are paid to Claimants in full. Interest is awarded pursuant to Utah Statutes Sec. 61-1-22(1)(a).
- 6) Except as noted above, the parties shall bear their respective costs, including attorneys' fees.
- 7) 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 = \$ 175.00

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 J.P. Turner & Co. L.L.C. is a party and the following fees are assessed:

Member Surcharge = \$ 875.00

Pre-Hearing Process Fee = \$ 750.00

Hearing Process Fee = \$1,000.00

Total Member Fees = \$2,625.00

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:

(2) Pre-hearing conference sessions with a single arbitrator @ \$ 450.00/session = \$ 900.00

Pre-hearing conferences: May 27, 2005 1 session

October 13, 2005 1 session

(1) Hearing session @ \$450.00/session = \$ 450.00

Hearing: October 17, 2005 1 session

Total Forum Fees = \$1,350.00

1. The Arbitrator assessed \$630.00 of the forum fees jointly and severally to Party Claimants.
2. The Arbitrator assessed \$180.00 of the forum fees to Respondent J.P. Turner and Company L.L.C.
3. The Arbitrator assessed \$180.00 of the forum fees to Respondent Roger Mezhibovsky.
4. The Arbitrator assessed \$180.00 of the forum fees to Respondent Yosif Hananiya.
5. The Arbitrator assessed \$180.00 of the forum fees to Respondent Mikhail S. Shklovsky.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 630.00
Total Fees	= \$ 805.00
Less payments	= \$(675.00)
Balance Due NASD Dispute Resolution	= \$ 130.00

2. Respondent J.P. Turner & Co., L.L.C. is charged with the following fees and costs:

Member Fees	= \$ 2,625.00
Forum Fees	= \$ 180.00
Total Fees	= \$ 2,805.00
Less payments	= \$(3,500.00)
Refund Due J. P. Turner & Co. L.L.C.	= \$ 695.00

3. Respondent Roger Mezhibovsky is charged with the following fees and costs:

Forum Fees	= \$ 180.00
Balance Due NASD Dispute Resolution	= \$ 180.00

4. Respondent Yosif Hananiya is charged with the following fees and costs:

Forum Fees	= \$ 180.00
Balance Due NASD Dispute Resolution	= \$ 180.00

5. Respondent Mikhail S. Shklovsky is charged with the following fees and costs:

Forum Fees	= \$ 180.00
Balance Due NASD Dispute Resolution	= \$ 180.00

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.

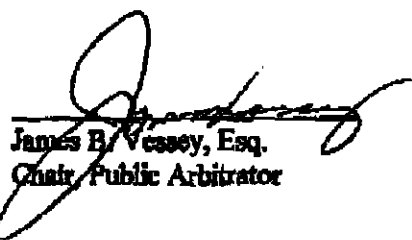
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ARBITRATOR

James B. Vessey, Esq.

Public Arbitrator, Presiding Chair

Arbitrator's Signature



James B. Vessey, Esq.
Chair, Public Arbitrator

October 27, 2005
Signature Date

10/27/05
Date of Service