

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Scottrade, Inc. (Claimant) vs. Babak Assadi (Respondent)

Case Number: 06-02470

Hearing Site: Philadelphia, Pennsylvania

Nature of the Dispute: Member vs. Associated Person

REPRESENTATION OF PARTIES

Claimant Scottrade, Inc. hereinafter referred to as "Claimant": Thomas E. Douglass, Esq., Kenton E. Knickmeyer, Esq., and Thomas L. Azar, Jr., Esq., Thompson Coburn LLP, St. Louis, MO.

Respondent Babak Assadi hereinafter referred to as "Respondent" did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: May 17, 2006.

Claimant signed the Uniform Submission Agreement: May 15, 2006.

Respondent did not submit a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract and unpaid margin loan.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$251,536.76 plus interest at the rate of 10% per annum from March 7, 2004, and for such other and further relief to which Claimant is entitled.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Arbitrators (the "Panel") determined that Respondent Babak Assadi has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Babak Assadi did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

During the hearing Claimant Moved to Declare Respondent in Default for Failure to Appear. After due deliberation the Panel declined to rule on Claimant's Motion.

Claimant, the sole party to appear in this matter, has 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 hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$251,536.76.
2. Respondent is liable for and shall pay to Claimant interest in the amount of \$44,514.34, pursuant to the margin contract. The Panel calculated the interest beginning from March 8, 2005 to December 14, 2006.
3. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$4,007.50. The Panel granted attorneys' fees pursuant to the margin contract.
4. Any and all relief not specifically addressed herein is 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	= \$1,000.00
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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, Scottrade, Inc. is a party.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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 @ \$1,125.00	= \$ 2,250.00
Pre-hearing conferences: October 11, 2006	1 session
October 25, 2006	1 session
One (1) Hearing session with Panel @ \$1,125.00	= \$ 1,125.00
Hearing Date: December 14, 2006	1 session
Total Forum Fees	= \$ 3,375.00

1. The Panel has assessed \$3,375.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Total Fees	= \$ 6,200.00
Less payments	= \$ 7,325.00
Refund Due Claimant	= \$ 1,125.00

2. Respondent is solely liable for:

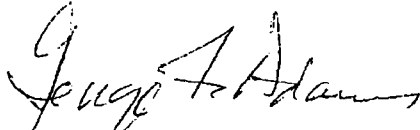
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 3,375.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,375.00

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

ABITRATION PANEL

George F. Adams, Esq. - Public Arbitrator, Presiding Chairperson
Louis H. Miron, Esq. - Public Arbitrator
Adam Bronstein, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures



George F. Adams, Esq.
Public Arbitrator, Presiding Chairperson

12/18/06
Signature Date

Louis H. Miron, Esq.
Public Arbitrator

Signature Date

Adam Bronstein, Esq.
Non-Public Arbitrator

Signature Date

December 21, 2006

Date of Service (For NASD Dispute Resolution use only)

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