

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In The Matter of The Arbitration Between

Parvesh Kumar Sahi

Claimant

Award

vs.

NASD #88-00012

E.F. Hutton & Co., Inc. and  
Charles M. Bloom

Respondents

SUMMARY OF ISSUES

This case was filed on January 4, 1988.

Claimant alleged misrepresentation and breach of fiduciary duty regarding the commission charge in his purchase of a California Franklin Mutual Fund. He claimed that when he asked Respondent Charles Bloom if there was any commission charged the response was no. He alleges a subsequent commission charge of \$18,000.00, which was amended at the hearing to \$15,613.00. Respondents denied all allegations and alleged that Claimant was told, in detail that the commission was built into the price and that the net yield (taking into account the commission) was 8.25 percent.

DAMAGES AND RELIEF REQUESTED

Claimant requested the following:

1. Compensatory damages of \$15,613.00 for misrepresentation on commissions.
2. Punitive damages of \$50,000.00 for breach of fiduciary duty.
3. Attorneys' fees.

### DAMAGES AND RELIEF AWARDED

On June 30, 1989 the undersigned arbitrators heard the controversy between the parties in two sessions as set forth in submissions to arbitration signed by Claimant on November 5, 1987 and by Respondents E.F. Hutton on April 19, 1988 and by Charles Bloom on June 30, 1989. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

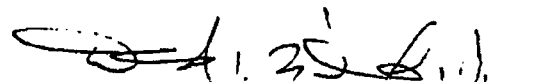
1. Each and every claim is dismissed.
2. The parties shall each bear their respective costs including attorneys' fees.
3. The claim for punitive damages is dismissed.
4. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$500.00 filing fee previously deposited by the Claimant. Also in accordance with Section 43, the arbitrators assess Respondents jointly and severally forum fees of \$1,000.00, payable to the National Association of Securities Dealers, Inc..

### OTHER ISSUES

Claimant withdrew his claim for attorneys' fees at the hearing and amended his claim for compensatory damages from \$18,000.00 to \$15,613.00.

### ARBITRATORS CONCURRING

DATE SERVED: 06/11/89

  
Donald L. Field, Jr.

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Kimberlie L. Cerrone

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Rudy E. Thorwirth

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