

In the Matter of Arbitration Between
GOLAM QM & KAMRUN CHOWDHURY
Claimants
v.
FIDELITY BROKERAGE SERVICES, INC.
Respondents

CASE SUMMARY

In a claim filed with the NASD on or about January 9, 1988 Claimants Golam QM & Kamrun Chowdhury ("Claimants") alleged that Respondent Fidelity Brokerage Services, Inc. ("Respondent") misrepresented his financial position by mispricing his shares of Health Information Systems, Inc. Claimants further alleged that as a result of the mispricing of these securities and the correction of the mispricing they received margin calls which resulted in substantial losses. Claimants also alleged that Respondent incorrectly and without authorization placed the Health Information Systems, Inc. stock in their margin account.

In its answer filed with the NASD on or about January 25, 1989 Respondent stated that the shares of Health Information Systems, Inc. were priced in error. Respondent stated that this error was made while the securities were held in Claimants cash account and had no effect on the margin account of Claimants. Respondent also stated that the shares of Health Information Systems, Inc. were later placed into the margin account with the Claimants' authorization.

RELIEF REQUESTED

Claimant requested an award in the amount of \$18,053.00.

Respondent requested the dismissal and denial of the Statement of Claim.

PROCEDURAL SUMMARY

On Thursday, December 7, 1989 in Dallas, Texas during a hearing lasting one session, the undersigned arbitrators heard oral argument regarding Claimants request for a postponement and Respondents' Motion to Dismiss with prejudice and claim for attorney fees associated with the postponement and determined as follows:

On Thursday, December 7, 1989 the panel decided as follows:

Claimant's request for postponement of arbitration hearing is granted to the extent it proposes that the action will be dismissed unless Claimant appears for hearing on this claim on or before June 7, 1990; subject, however, to the condition that counsel for Claimant reports to the NASD on or before February 1, 1990 regarding his contact with Mr. Chowdhury and a proposed scheduling for resumption of the arbitration hearing. The date for reporting may be extended upon showing of good cause by Claimant's counsel.

Respondent's motion to dismiss with prejudice and claim for attorney's fees associated with postponement are held under advisement. In the event that no report is made by February 1, 1990 (or at a later date if the Panel finds good cause therefore), the Panel will reconvene among themselves to reconsider Respondent's motion and request.

On April 16, 1990 the undersigned arbitrators met in the above matter and had made the following findings:

1. Neither Claimant; nor counsel for Claimant; reported to the NASD on or before February 1, 1990 as directed by the Panel's order of December 7, 1989;
2. No reasonable schedule has been proposed by Claimant; for resumption of the arbitration hearing;
3. No good cause has been shown to the Panel to extend the reporting requirements as set forth in its order of December 7, 1989;
4. In the event a request should properly be made by the Claimant; for reimbursement of its filing fee, the Panel determined that, based upon the circumstances of this case, it is inappropriate to reimburse the fee paid by Claimant.

AWARD

The arbitration panel, having considered the pleadings as set forth in submissions to arbitration signed on March 29, 1988 by Claimants Golam GM & Kamrun Chowdhury on January 24, 1989 by Jeffrey R. Larsen on behalf of Respondent Fidelity Brokerage Services, Inc. have decided in full and final resolution of the issues submitted as follows:

1. The Statement of Claim shall be and hereby is dismissed with prejudice;
2. Claimant shall be and hereby is liable for and shall pay to Respondent the sum of Five Hundred Dollars and No Cents (\$500.00) as attorneys fees;
3. The parties shall each bear their own costs and expenses incurred in this matter not specifically enumerated herein; and

4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$300.00 filing fee previously deposited with the NASD by the Claimants and the \$100.00 postponement fee previously deposited with the NASD by the Claimant.

BY THE PANEL

Dated: June 7, 1990

/S/ Noel M. Hensley
Noel M.B. Hensley, Esq.
Presiding Chairman

Dated: _____

/S/ _____
David P. Seikel, Esq.

Dated: _____

/S/ _____
Mr. Lewis B. Fisher, Jr.

4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$300.00 filing fee previously deposited with the NASD by the Claimants and the \$100.00 postponement fee previously deposited with the NASD by the Claimant.

BY THE PANEL

Dated: _____

/S/ _____

Noel M.B. Hensley, Esq.
Presiding Chairman

Dated: 10 MAY 1990

/S/ _____

David P. Seikel, Esq.

Dated: _____

/S/ _____

Mr. Lewis B. Fisher, Jr.

4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$300.00 filing fee previously deposited with the NASD by the Claimants and the \$100.00 postponement fee previously deposited with the NASD by the Claimant.

BY THE PANEL

Dated: _____

/S/

Noel M.B. Hensley, Esq.
Presiding Chairman

Dated: _____

/S/

David P. Seikel, Esq.

Dated: 5/11/90

/S/

Mr. Lewis B. Fisher, Jr.