

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Ramesh J. Kurani

91-02556

Name of Respondent(s)

D.H. Blair & Company
Joseph Sorbara

REPRESENTATION

For Claimant: Keith Dutill, Esq. of Stradley, Ronon, Stevens & Young in Philadelphia, Pennsylvania.

For Respondent D.H. Blair & Company: Daniel A. Pollack, Esq. of Pollack & Kaminsky in New York City.

For Respondent Joseph Sorbara: David Crystal, II, Esq. of Collier, Cohen, Shields & Bock in New York City.

CASE INFORMATION

Statement of Claim filed: August 19, 1991.

Claimant's Submission Agreement signed on: August 6, 1991.

Submission Agreement of D.H. Blair & Company signed on: October 7, 1991.

Submission Agreement of Joseph Sorbara signed on: September 23, 1991.

Statement of Answer filed by Respondent D.H. Blair & Company on: October 8, 1991.

Statement of Answer filed by Respondent Joseph Sorbara on: October 10, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: February 27, 1992/two sessions

Hearing Location: Philadelphia, Pennsylvania

CASE SUMMARY

Claimant Ramesh Kuxani alleged that Respondents urged him to purchase warrants issued by Management Company Entertainment Group, Inc. (M.C.E.G.) and misrepresented the company to him. Claimant further alleged that Respondents failed to disclose a series of critical events that led to the financial collapse and bankruptcy of M.C.E.G. while he purchased the warrants. Respondent D.H. Blair & Company maintained that their broker advised against the Claimant investing all of his funds in the warrants, that the Claimant insisted on doing so, and that the Claimant was never told Respondents were experts in M.C.E.G. Respondent Joseph Sorbara maintained that he never misrepresented M.C.E.G. to the Claimant, that the Claimant was a sophisticated investor, and that the Claimant invested in the warrants at Claimant's insistence.

RELIEF REQUESTED

Claimant requested compensatory damages in excess of \$550,000.00 for the loss in value of the M.C.E.G. securities, interest, punitive damages and attorneys' fees. Respondent D.H. Blair & Company, Inc. requested that the claims of the Claimant be dismissed. Respondent Joseph Sorbara requested that the claims of the Claimant be dismissed and costs be assessed against the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

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

- (1) The claims of the Claimant Ramesh Kuxani against the Respondents D.H. Blair & Company, Inc. and Joseph Sorbara be and hereby are dismissed in their entirety.
- (2) The Claimant's claim for punitive damages is denied.

OTHER COSTS

- (1) The parties shall each bear their respective costs, including attorneys' fees.

FORUM FEES

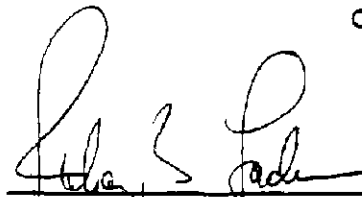
Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

(1) The NASD, Inc. shall retain the \$1,000.00 hearing session deposit previously deposited by the Claimant.

(2) Respondent D.H. Blair & Company shall pay to the Claimant \$166.50 as reimbursement for a portion of his hearing session deposit and Respondent Joseph Sorbara shall pay to the Claimant \$166.50 as reimbursement for a portion of his hearing session deposit. Respondent D.H. Blair & Company shall remit to the NASD, Inc. \$500.16 in forum fees, and Respondent Joseph Sorbara shall remit to the NASD, Inc. \$500.16 in forum fees.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures



Richard B. Loden, Esq. (chairperson)

Public Arbitrator

Harold Stein

Public Arbitrator

Richard Purkiss

Industry Arbitrator

Executed on:

Dated: 10 March 1992

DATE OF DECISION: March 23, 1992

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Dated: March 23, 1992

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Dated: March 23, 1992