

PUBLIC

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
: Daryoush Javaheri :
: :
: Claimant :
: CASE #92-00847
vs. : AWARD
: :
: R.G. Dickinson & Co. :
: Lyle Perlmutter :
: :
: Respondents :

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on March 10, 1992, Claimant Daryoush Javaheri, who appeared Pro Se, alleged that in January 1992 based on a referral from his friend, Ali Reza Shaibani, a customer of Respondent Lyle Perlmutter, account executive, he opened an account at Respondent R.G. Dickinson & Co. Claimant further alleged that on February 7, 1992 he explicitly instructed Respondent Lyle Perlmutter to purchase Philip Morris "March" 75 Calls. Claimant contended that on February 10, 1992 he contacted Respondent Lyle Perlmutter to instruct him to purchase GAP, Inc. March 50 Calls, and inquired about his Philip Morris March 75 Calls, at which time, Respondent Lyle Perlmutter informed Claimant that he had purchased Philip Morris "February" 75 Calls. Claimant further contended that he was shocked to find out that Respondent Lyle Perlmutter had purchased the wrong Philip Morris Calls and told him to cancel that order, at which time, Respondent Lyle Perlmutter advised him he could not do that. Claimant asserted that on February 12, 1992 he contacted Respondent R.G. Dickinson & Co. manager, Mr. Albert T. Ayala, to explain the problem and was advised that he would try to fix the problem but Mr. Ayala never contacted Claimant. Claimant further asserted that he faxed a letter to Respondent R.G. Dickinson & Co. to request that they credit his account for the damages. Claimant argued that Respondent Lyle Perlmutter's inappropriate handling of his account and Respondent's R.G. Dickinson & Co. failure to correct the error, caused him to sustain losses because he never sold the Philip Morris Calls because it was the wrong order.

Respondents R.G. Dickinson & Co. and Lyle Perlmutter by and through their in-house counsel Thomas M. Swartwood, Esq., maintained that Respondent Lyle Perlmutter opened an account at

Respondent R.G. Dickinson & Co. for Claimant Daryoush Javaheri on January 22, 1992 based on a referral from Ali Reza Shaibani, a customer of Respondent Lyle Perlmutter. Respondent further maintained from January 22, 1992 to February 7, 1992, Claimant transacted nine OEX option trades and subsequently on February 7, 1992, Claimant requested quotes for Philip Morris ("MO") February 75 & 80 Calls and March 75 & 80 calls, as well as quotes on several stocks. Respondents contended that Respondent Lyle Perlmutter informed Claimant that Philip Morris February 75's were around $1 \frac{3}{4}$ - 2 and that the MO March 75's were around $2 \frac{7}{8}$, at which time, Claimant placed an order to buy 10 MO "Feb" 75 calls with a limit of 2 and Respondent Lyle Perlmutter contacted Claimant to report that he bought the MO "Feb" 75's at $1 \frac{7}{8}$. Respondents further contended that Claimant continued to do business with Respondent Lyle Perlmutter the week of February 10, 1992 and it was not until later that week, after the trade in question had settled and after he sent additional money into his account, that Claimant questioned the MO option trade. Respondents asserted that during the week of February 17, 1992, Respondent Lyle Perlmutter advised Claimant to sell his MO calls and had Claimant done so he could have recovered \$400.00 to \$500.00, and, in fact, if Claimant had sold his options on February 12, 1992, the day he claims to have contacted the branch manager, Albert T. Ayala, he could have recovered almost all his investment as those options closed that day at $1 \frac{1}{2}$. Respondents further asserted that there is no evidence to support Claimant's claim and there is ample evidence to suggest that if a mistake was made, it was Claimant's.

RELIEF REQUESTED

Claimant Daryoush Javaheri requested \$2,003.75 in actual damages.

Respondents R.G. Dickinson & Co. and Lyle Perlmutter requested the claim be dismissed in its entirety.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Rebecca A. Novak, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on March 4, 1992 and by the Respondents on May 14, 1992.

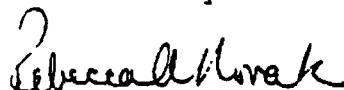
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

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1. The claims of Daryoush Javaheri against Respondents R.G. Dickinson & Co. and Lyle Perlmutter are dismissed.
2. The parties shall bear their respective costs.
3. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Daryoush Javaheri shall be retained by the NASD, Inc.

AFFIRMATION

I, REBECCA A. NOVAK, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: September 18, 1992

STATE OF: NEW YORK

SS:

COUNTY OF: NEW YORK

On this 15th day of September, 1992, before me personally appeared Rebecca A. Novak, Esq. to me known and known before me to be the individual described in and who executed the foregoing instrument and she duly acknowledged to me that she executed the same.



G. Alexander Novak

G. ALEXANDER NOVAK
Notary Public, State of New York
No. 31-4838412
Certificate filed in New York County
Commission Expires March 30, 1994

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