

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

In the Matter of the Arbitration Between

**Name of Claimant(s)**

Abdul Al-Shabli  
Latifa R. Al Omer

NASD Arbitration  
No. 92-02061

**Name of Respondent(s)**

Mohammad Rahman

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**REPRESENTATION**

For Claimant: Keith A. Ketterling, Esq., Stoll Stoll Berne & Lokting P.C.,  
Portland Oregon

For Respondent: Frank H. Lagesen, Esq., Cosgrave, Vergeer & Kester, Portland,  
Oregon

**CASE INFORMATION**

Statement of Claim filed: June 18, 1992

Claimants' Submission Agreement signed: June 17, 1992

Statement of Answer filed by Respondent: July 28, 1992

Respondent's Submission Agreement signed: June 30, 1992

### **HEARING INFORMATION**

Pre-Hearing Conference: February 18, 1993 (one session)

Hearing Date(s)/Sessions: February 23, 1993 (two sessions)  
February 24, 1993 (two sessions)  
February 25, 1993 (two sessions)

Hearing Location: Portland, Oregon

### **CASE SUMMARY**

Claimants alleged breach of fiduciary duty, negligence, fraud, violation of Federal and State Securities Laws and unsuitability with respect to Claimants' investments in options.

Respondent denied Claimants' allegations of wrongdoing and asserted various defenses.

### **RELIEF REQUESTED**

Claimants requested damages of at least \$82,000. Claimants also requested reasonable attorney's fees, interest and costs.

Respondent requested attorney's fees and costs.

### **OTHER ISSUES CONSIDERED & DECIDED**

At the hearing, Respondent requested that the arbitrators waive the adjournment fee assessed against Respondent in connection with the adjournment of the January 20, 1993 hearing date. The arbitrators granted Respondent's request.

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 National Association of Securities Dealers, Inc. (NASD).

## **AWARD**

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

1. All claims by Claimants, including the claims for interest and attorney's fees, are dismissed.
2. With respect to Respondent's claim for attorney's fees, Claimants are jointly and severally liable for and shall pay to Respondent the sum of \$22,769.06 in attorney's fees pursuant to ORS 59.115, Straton Group Limited v. Chelsea National Bank, DC NY January 25, 1972, 1971-72 CCH Security Law Reporter dec. paragraph 93,375 and Klein v. Shields & Co., 470 F2d 1344 (Ca2 1972).
3. The parties shall each bear their respective costs of this proceeding.

## **OTHER COSTS**

None.

## **FORUM FEES**

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$500.00 hearing session deposit previously deposited by the Claimants. Forum fees are assessed against Claimants in the amount of \$2,800.00, calculated as follows: Six hearing sessions times \$500.00/session, plus one pre-hearing session times \$300.00/session minus the \$500.00 previously paid by the Claimants.

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

## **ARBITRATORS**

<u>Name</u>	<u>Public/Industry</u>
Gerald D. Wygant, Esq.	Public Arbitrator
Gordon MacMillan	Public Arbitrator

Lee Smith

Industry Arbitrator

Concurring Arbitrators' Signatures

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Gerald D. Wygant, Esq.

*Gordon MacMillan*  
Gordon MacMillan

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Date of Decision: May 20 1993

Date Served: 05/28/93