

**NATIONAL ASSOCIATION OF SECURITIES DEALERS  
AWARD**

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In the Matter of the Arbitration Between

IDS Financial Services, Inc. and  
Mary Larimer,

Claimants,

v.

NASD No. 94-01076

Armen Harutunian,

Respondent.

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***Representation***

For Claimants: Gary Irwin, Esq. of IDS Financial, Services, Inc., (IDS)  
Minneapolis, Minnesota

For Respondent: Pro se,  
Glendale, California

***Case Information***

Statement of Claim filed: March 18, 1994

Claimant Mary Larimer's Submission Agreement signed: March 9, 1994

Claimant IDS' Submission Agreement signed: July 18, 1994

Statement of Answer filed on: Although duly served, Respondent did not file an Answer.

Respondent's Submission Agreement signed on: Although, duly served, Respondent did not file a Submission Agreement. Respondent is subject to National Association of Securities Dealers (NASD) jurisdiction in accordance with Section 8 of the NASD Code of Arbitration Procedure.

### ***Hearing Information***

Prehearing Conference Date(s)/Sessions:   None  
Hearing Date/Sessions:                       May 9, 1995/one session  
Hearing Location:                               Los Angeles, California

### ***Case Summary***

Claimant alleged breach of contract, breach of NASD Rules of Fair Practice and Regulation T violation as a result of Respondent borrowing \$142,500 from Mary Larimer, (Larimer) which he failed to repay in full. Respondent was a registered representative with IDS and Larimer was his client. Larimer was an elderly woman of limited means. In direct violation of his IDS Personal Financial Planner's Agreement, Respondent borrowed \$142,500 from Larimer which he has not fully repaid.

Although duly served, Respondent did not file an Answer or appear at the hearing.

### ***Relief Requested***

Claimants requested:

1. Compensatory damages of \$140,022.35;
2. Interest;
3. Punitive damages of \$500,000;
4. Costs of this action, including attorney's fees;

### ***Other Issues Considered and 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. Respondent is liable for and shall pay Claimant Larimer \$79,888.00, which represents compensatory damages and interest;
2. Respondent is liable for and shall pay Claimant IDS Financial Services, Inc. \$89,022.35 in compensatory damages;
3. Respondent is liable for and shall pay Claimant IDS Financial Services, Inc. interest at the legal rate in the State of California on the amount of \$89,022.35 from October 14, 1993 to the date the award is paid;
4. Each and every other claim, including the claim for punitive damages, is dismissed;
5. The parties shall each bear their respective attorney's fees;
6. The parties shall each bear their respective costs.

### ***Other Costs***

None.

### ***Forum Fees***


Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc., shall retain the \$1,000 hearing session deposit previously paid by the Claimant, for which Respondent is liable and shall pay to Claimant. Forum fees are assessed against Respondent, calculated as follows:

One hearing session @ \$1,000/session	=	\$ 1,000.00 (to be paid to Claimant by Respondent)
Balance due to NASD	=	\$ 0.00

### ***Arbitration Panel***

<b><i>Name</i></b>	<b><i>Public/Industry</i></b>
Christine Page	Industry Arbitrator
Lois Cox	Industry Arbitrator
Walter Klosterman	Industry Arbitrator

***Concurring Arbitrators' Signatures***

  
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Christine Page

\_\_\_\_\_  
Lois Cox

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Walter Klosterman

**Date Served: 6-8-95**

***Date of Decision:***