

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Sundaram Ravikumar

95-01000

Name of Respondents

D.H. Blair & Company
Alex I. Salm

REPRESENTATION

For Claimant Sundaram Ravikumar ("Claimant") appeared Lawrence R. Gelber, Esq., of the law firm of Beigel, Schy, Lasky, Rifkind, Goldberg, Fertik & Gelber, located in New York, New York.

For Respondents D.H. Blair & Company ("DHB") and Alex I. Salm ("Salm"), (collectively referred to as Respondents") appeared Roger R. Crane, Esq., of the law firm of Bachner, Tally, Polevoy & Misher, LLP, located in New York, New York.

CASE INFORMATION

Statement of Claim filed: February 27, 1995.

Claimant's Submission Agreement signed on: January 12, 1995.

Statement of Answer filed jointly by Respondents on: June 27, 1995.

Respondent DHB's Submission Agreement signed on: May 12, 1995.

Respondent Salm's Submission Agreement signed on: June 21, 1995.

HEARING INFORMATION

Pre-Hearing Conference:	April 3, 1996	1 session
	April 26, 1996	1 session

Hearing Dates/Sessions:	May 7, 1996	2 sessions
	May 8, 1996	2 sessions
	May 22, 1996	2 sessions

The hearings were held at the Midday Club located in New York City, New York.

CASE SUMMARY

Claimant alleged that on or about April 26, 1993, Salm, an employee of DHB, was instructed to sell 15,000 shares of Health Professional and 20,000 shares of Cryomedical Sciences at the market. Claimant further alleged that several days later, not having received a trade confirmation or a call acknowledging that the order was filled, he called Salm to inquire about the firm sell order he had placed. Claimant also alleged that Salm informed him during a subsequent phone call that the order tickets were never written, and therefore, the securities were not sold. Claimant contended that he is not a sophisticated investor. Claimant further contended that he justifiably relied on the expertise of the DHB, a full service brokerage firm, for the proper handling of his account because of his limited knowledge concerning stock market investing.

Claimant asserted that the Respondents are jointly and severally liable to him in connection with their failure to execute the trades on the basis of several legal theories such as common law fraud, negligence, breach of fiduciary duty and duties of good faith and fair dealing, and for violations of federal securities laws. Claimant further asserted that Respondents also violated the NASD Rules of Fair Practice, Article III Sections 1 and 2, the Policy of the Board of Governors, the Rules of the Board of Directors of the New York Stock Exchange and NYSE Rule 401. Claimant also asserted that Respondents violated RICO as they were an enterprise within the meaning of the statute and had committed at least two prohibited acts within a ten year period. Claimant contended that Respondent DHB failed to properly supervise Salm making it liable under the theory of Respondeat Superior. Claimant further contended that as a result of the above, he has suffered a loss for which the Respondents should be held liable.

Respondents denied all allegations of wrongdoing asserted by the Claimant including all of the legal theories put forth. Respondents maintained that Claimant received confirmations and account statements regarding sales and purchases in a timely fashion. Respondents further maintained that Claimant did not timely notify them of his complaint concerning the alleged failure to execute which constitutes ratification of their conduct. Respondents also maintained that the claims are barred by the applicable statute of limitations and the doctrine of laches. Respondents contended that the Claimant's claims fail to meet the requirements of the statute of frauds of the Uniform Commercial Code as he did not provide written objections within 10 days of his receipt of the trade confirmations. Respondents further contended that as a result of the above, they should not be held liable.

RELIEF REQUESTED

Claimant requested "compensatory damages in an amount to be determined at the hearing, trebled under RICO, plus interest at the appropriate statutory rate, trebled under RICO, plus attorneys' fees, plus costs, fees and expenses to be determined in the best judgment of the panel, plus such other and further relief as this panel deems just and proper."

Respondents requested that the claims be dismissed in their entirety plus costs and disbursements incurred as a result of this proceeding.

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 Sundaram Ravikumar against Respondents D.H. Blair & Co., Inc. and Alex Salm are denied in their entirety.
2. The parties shall bear their respective costs and attorney's fees.
3. All other relief requests are denied in their entirety.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the arbitrators have determined that the NASD shall retain the \$250.00 non-refundable filing fee previously deposited by Claimant and have assessed the following forum fees:

6 sessions x \$600.00	= \$3,600.00
2 Pre-hearing sessions x \$300.00	= <u>\$ 600.00</u>
Total	= \$4,200.00
minus Claimant's \$600.00 deposit	= <u>\$ 600.00</u>
total outstanding	= \$3,600.00

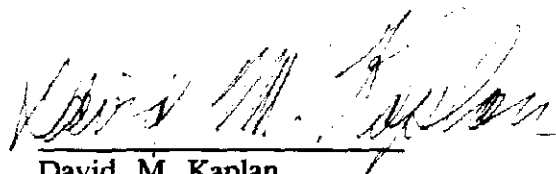
Claimant Sundaram Ravikumar be and hereby liable for the sum of \$2,100.00 representing one-half of the total amount of forum fees assessed. Claimant previously deposited \$600.00 with

Page Four
Award 95-01000

the NASD. Therefore, the Claimant owes the NASD \$1,500.00.

Respondents D.H. Blair & Co., Inc. and Alex Salm be and hereby are jointly and severally liable for the sum of \$2,100.00 representing one-half of the total amount of forum fees assessed. Therefore, the Respondents shall pay to \$2,100.00 to the National Association of Securities Dealers, Inc.

ARBITRATORS' SIGNATURES

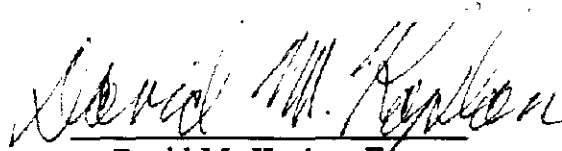
A handwritten signature in dark ink, appearing to read "David M. Kaplan", written over a horizontal line.

David M. Kaplan
Public Arbitrator

Thomas E. Siegler
Industry Arbitrator

Henry C. Schnitzer
Public Arbitrator

I, **DAVID M. KAPLAN, ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



David M. Kaplan, Esq.
Public Chairperson

I, **THOMAS E. SIEGLER** do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Thomas E. Siegler
Industry Panelist

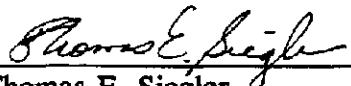
I, **HENRY C. SCHNITZER**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Henry C. Schnitzer
Public Panelist

Date of Decision: June 21, 1996

ARBITRATORS' SIGNATURES

David M. Kaplan
Public Arbitrator


Thomas E. Siegler
Industry Arbitrator

Henry C. Schnitzer
Public Arbitrator

I, **DAVID M. KAPLAN, ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

David M. Kaplan, Esq.
Public Chairperson

I, **THOMAS E. SIEGLER** do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


Thomas E. Siegler
Industry Panelist

I, **HENRY C. SCHNITZER**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Henry C. Schnitzer
Public Panelist


Date of Decision: June 21, 1996

Page 5
Award 95-01000

ARBITRATORS' SIGNATURES

David M. Kaplan
Public Arbitrator

Thomas E. Siegler
Industry Arbitrator


Henry C. Schnitzer
Public Arbitrator

I, **DAVID M. KAPLAN, ESQ.**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

David M. Kaplan, Esq.
Public Chairperson

I, **THOMAS E. SIEGLER** do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Thomas E. Siegler
Industry Panelist

I, **HENRY C. SCHNITZER**, do hereby affirm, pursuant to Article 7507 of the Civil Procedure Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


Henry C. Schnitzer
Public Panelist

Date of Decision: June 21, 1996