

## AWARD

NASD Regulation, Inc.

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In the Matter of the Arbitration Between

Name of Claimants

Surinder and Parvinder Chabra

96-01833

Name of Respondents

Amarjit Singh  
Birchtree Financial Services, Inc.  
A. Randal Burch  
Rauscher Pierce Refsnes, Inc.  
Regional Operations Group, Inc.

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**REPRESENTATION**

For Claimant Surinder and Parvinder Chabra ("Claimants"): G. Alexander Novak, Esq. of the law firm of Novak & Juhase, Woodmere, NY.

Respondent Amarjit Singh ("Respondent") did not appear at the hearing and was unrepresented.

**CASE INFORMATION**

Claimants' Statement of Claim filed: April 24, 1996.

Claimants' Submission Agreement signed on: February 28, 1996.

Respondent neither filed a Statement of Answer nor did he sign a Submission Agreement.

**HEARING INFORMATION**

Pre-Hearing Conference: January 30, 1997 - one session with one arbitrator  
May 6, 1998 - one session with the full panel

Hearing Date/Sessions: August 11, 1998 - two sessions

Hearing Location: NASD Regulation, Inc. Office of Dispute Resolution, New York, NY

**CASE SUMMARY**

Claimants alleged that Respondent approached Claimants, a young immigrant couple with three children, to invest substantial sums in stock. Claimants alleged, among other things, that Respondent forged their signatures, made improper investments on their behalf, churned their account and traded Claimants' account without authority. Claimants alleged that Respondent intentionally over traded Claimants' account to make commissions for himself and his employer at the expense of the Claimants. Claimants alleged that Respondent seldom spoke to Claimants before making trades in Claimants' account. Claimants alleged that as early as August 1994, Respondent made unsuitable investments for Claimants

and failed to discuss the investments with Claimants. Claimants alleged that in January 1995 they realized what was happening to their account and tried to reach Respondent. Claimants alleged that Respondent was incommunicado. Respondent two months later, Claimants asserted, contacted them while he was in Florida. Claimants alleged that Respondent told them that he would come to New York to prepare the necessary tax schedules for their transactions and to explain what happened to their account. Claimants alleged that Respondent came to New York and under the pretext of preparing tax schedules, took Claimants' records. Claimants alleged that Respondent again disappeared and now with all of Claimants' records of the transactions.

### **RELIEF REQUESTED**

Claimants requested damages in an amount of not less than \$50,000. Claimants also seek an award of attorneys' fees and punitive damages on account of the egregious abuse that Respondent caused them.

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

That the parties advised the panel of arbitrators ("panel") that Claimants on or before August 5, 1998 settled all claims in this case with Respondents Birchtree Financial Services, Inc. and A. Randal Burch. Claimants had previously withdrawn their claims against Rauscher Pierce Refnes, Inc. and Regional Operations Group, Inc.

Claimants 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, Claimants have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

Pursuant to Rule 10101 and Rule 10301 of the NASD Code of Arbitration Procedure, the panel exercised its jurisdiction over Respondent notwithstanding his failure to execute a submission agreement, file an answer or attend the hearings. Respondent is bound by the rulings and determination by the panel as set forth herein. Attached as Exhibit A to this Award are two letters sent to Respondent. One that provided Respondent with the statement of claim and the second a scheduling letter sent to Respondent by certified mail.

### **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. That Respondent Amarjit Singh is liable and shall pay to Claimants Surinder and Parvinder Chabra the sum of \$29,411; plus interest at the rate of 9% simple interest per annum from December 1, 1994 until the date the award is paid. The panel found that Respondent traded excessively in Claimants' account, without authorization and that he violated and breached his fiduciary responsibility owed to Claimants.
2. That the parties shall bear their respective costs and attorneys' fees, except as forum fees are specifically addressed herein.
3. Any and all claims for relief not specifically addressed are denied in their entirety.

**OTHER COSTS**

Regional Operations Group, Inc. ("ROP") and Respondent Birchtree Financial Services, Inc. ("Birchtree") each were assessed their Member Surcharge Fee in accordance with Rule 10333 and failed to pay their Member Surcharge Fee of \$200. ROP and Birchtree each owe to the NASD Regulation, Inc. its member surcharge fee of \$200.

**FORUM FEES**

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed.

(1 pre hearing conference with one arbitrator x \$300) + (1 pre hearing conference with the full panel x \$400) + (2 hearing sessions with the panel x \$400) = \$1,500 minus hearing session deposit of 400 = net \$1,100 due.

Remaining Forum Fees Assessed Against: Respondent Amarjit Singh. Respondent Singh is assessed forum fees in the amount of \$1,100.

Fees are payable to the NASD Regulation, Inc. Office of Dispute Resolution

Date Award Signed

Concurring Arbitrators' Signatures

\_\_\_\_\_  
Romeo J. Barros, Esq., Chairperson  
Public Arbitrator

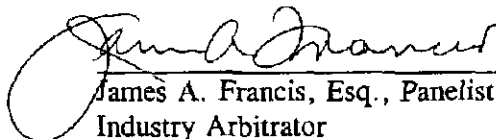
I, **Romeo J. Barros, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
Romeo J. Barros, Esq.

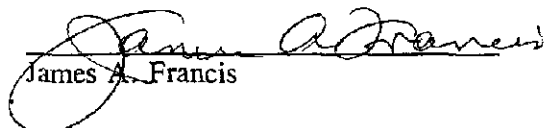
\_\_\_\_\_  
William H. Conlan, Panelist  
Public Arbitrator

I, **William H. Conlan**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
William H. Conlan

\_\_\_\_\_  
  
James A. Francis, Esq., Panelist  
Industry Arbitrator

I, **James A. Francis, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
  
James A. Francis

Date Award Served by NASD Regulation: \_\_\_\_\_

Date Award Signed

Concurring Arbitrators' Signatures

Romeo J. Barros

Romeo J. Barros, Esq., Chairperson  
Public Arbitrator

I, Romeo J. Barros, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Romeo J. Barros

Romeo J. Barros, Esq.

William H. Conlan, Panelist  
Public Arbitrator

I, William H. Conlan, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

William H. Conlan

James A. Francis, Esq., Panelist  
Industry Arbitrator

I, James A. Francis, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

James A. Francis

Date Award Served by NASD Regulation: \_\_\_\_\_

Date Award Signed

Concurring Arbitrators' Signatures

\_\_\_\_\_  
Romeo J. Barros, Esq., Chairperson  
Public Arbitrator

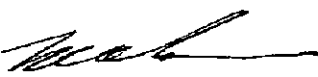
I, **Romeo J. Barros, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
Romeo J. Barros, Esq.

Sept 15 1998

\_\_\_\_\_  
William H. Conlan, Panelist  
Public Arbitrator

I, **William H. Conlan**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

  
\_\_\_\_\_  
William H. Conlan

\_\_\_\_\_  
James A. Francis, Esq., Panelist  
Industry Arbitrator

I, **James A. Francis, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

\_\_\_\_\_  
James A. Francis

Date Award Served by NASD Regulation: \_\_\_\_\_