

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimants

Bijan Dokhanian
Shahdokht Dokhanian
S&B Dokhanian Family Trust U/T/A 10/3/05
Michael Sadeghan
Sean and David Sadgan

Case Number: 12-03343

vs.

Respondent

Interactive Brokers, LLC

Hearing Site: Los Angeles, California

Third-Party Claimant

Interactive Brokers, LLC

vs.

Third-Party Respondent

Ascendant Asset Advisors, Inc.

Nature of the Disputes: Customers vs. Member
 Member vs. Non-Member

This case was decided by a majority-public panel.

REPRESENTATION OF PARTIES

For Claimants Bijan Dokhanian, Shahdokht Dokhanian, S&B Dokhanian Family Trust U/T/A 10/3/05, Michael Sadeghan, and Sean and David Sadgan, hereinafter collectively referred to as "Claimants": Robert A. Kantas, Esq. and David Miller, Esq., Shepherd, Smith, Edwards & Kantas, LLP, Houston, Texas.

For Respondent/Third-Party Claimant Interactive Brokers, LLC, hereinafter referred to as "IB": Robert W. Topp, Esq., Interactive Brokers, LLC, Washington, District of Columbia.

For Third-Party Respondent Ascendant Asset Advisors, Inc., hereinafter referred to as "Ascendant": Burton Mark Senkfor, Esq., Law Office of Burton Mark Senkfor, Beverly Hills, California.

CASE INFORMATION

Statement of Claim filed on or about: September 18, 2012.

Bijan Dokhanian signed the Submission Agreement: September 5, 2012.

Shahdokht Dokhanian signed the Submission Agreement: September 5, 2013.

S&B Dokhanian Family Trust U/T/A 10/3/05 signed the Submission Agreement:
September 5, 2012.

Sean and David Sadgan signed the Submission Agreement: September 12, 2012.

Michael Sadeghan signed the Submission Agreement: September 13, 2012.

Statement of Answer and Third Party Claim filed by IB on or about: November 16, 2012.

IB signed the Submission Agreement: November 16, 2012.

Statement of Answer to the Third Party Claim filed by Ascendant on or about: January
30, 2013.

Ascendant signed the Submission Agreement: January 28, 2013.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract and promissory estoppel; intentional fraud, fraud in the inducement; violation of California Securities Laws, Cal. Corp. Code § 25401; violation of California Consumer Legal Remedies Act, Cal. Civ. Code § 1770; negligent misrepresentation; negligence; breach of fiduciary duty; and conversion/unjust enrichment. The causes of action relate to Claimants' investments in Strategic Options Programs 1 & 2, the JL DeVore Institutional Trading Program, the JL DeVore Elite Trading Program and the Ascendant Global Strategies Fund, LLC.

Unless specifically admitted in its Answer, IB denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In the Third Party Claim, IB asserted the following cause of action: liability and indemnity.

Unless specifically admitted in its Answer, Ascendant denied the allegations made in the Third Party Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested:

1. Compensatory damages between \$1,000,000.00 and \$3,000,000.00, plus interest, costs and attorneys' fees;
2. Rescission of the transactions;

3. Exemplary and punitive damages;
4. All lost opportunities incurred as a result of acts and/or omissions;
5. Actual damages, and costs of investigation and litigation that are being reasonably incurred; and
6. Such other relief as the Panel finds just and proper.

In its Statement of Answer and Third Party Claim, IB requested:

1. Denial of Claimants' Statement of Claim;
2. Attorneys' fees and costs; and
3. Ascendant, Claimants' outside financial advisor, indemnify IB for any judgment amount rendered in favor of Claimants, in the event liability is found.

Ascendant did not set forth a relief request in its response to the Third Party Claim.

At the close of the hearing, Claimants Bijan Dokhanian, Shahdokht Dokhanian and S&B Dokhanian Family Trust U/T/A 10/3/05 requested compensatory damages in the amount of \$3,589,077.00. Claimant Michael Sadeghan requested compensatory damages in the amount of \$161,912.00.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

During the evidentiary hearing, Claimants Sean and David Sadgan withdrew their claims with prejudice.

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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. IB is liable for and shall pay to Claimants Bijan Dokhanian, Shahdokht Dokhanian and S&B Dokhanian Family Trust U/T/A 10/3/05 compensatory damages and interest in the total amount of \$769,000.00.
2. IB is liable for and shall pay to Claimant Michael Sadeghan compensatory damages in the amount of \$31,000.00.
3. Ascendant is liable for and shall pay to IB compensatory damages in the amount of \$640,000.00.
4. Any and all relief not specifically addressed herein, including punitive and exemplary damages and attorneys' fees, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing Fee	=\$ 1,800.00
Third Party Claim Filing Fee	=\$ 3,200.00

**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Interactive Brokers, LLC is assessed the following:

Member Surcharge	=\$ 2,800.00
Pre-Hearing Processing Fee	=\$ 750.00
Hearing Processing Fee	=\$ 5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

February 25-28, 2014, adjournment by parties	=\$ 1,200.00
September 17, 2014, adjournment by parties	=\$ 1,200.00
September 25-26, 2014, adjournment by parties	=\$ 1,200.00

Total Adjournment Fees	=\$ 3,600.00
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The Panel has assessed \$3,600.00 of the adjournment fees to IB.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

September 17, 2014, adjournment by parties	=\$ 300.00
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Total Three-Day Cancellation Fees	=\$ 300.00
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The Panel has assessed \$300.00 of the three-day cancellation fees to IB.

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00/session	=\$ 900.00
Pre-hearing conferences: November 12, 2013	1 session
November 26, 2013	1 session

One (1) Pre-hearing session with the Panel @ \$1,200.00/session = \$ 1,200.00
Pre-hearing conference: April 17, 2013 1 session

Thirteen (13) Hearing sessions @ \$1,200.00/session = \$15,600.00

Hearing Dates: September 18, 2014 2 sessions
September 19, 2014 2 sessions
September 22, 2014 2 sessions
September 23, 2014 2 sessions
September 24, 2014 2 sessions
September 29, 2014 2 sessions
September 30, 2014 1 session

Total Hearing Session Fees = \$17,700.00

The Panel has assessed \$17,700.00 of the hearing session fees to IB.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

Robert B. Hansohn	-	Public Arbitrator, Presiding Chairperson
Arthur F. Brueggeman	-	Public Arbitrator
John Marius Baker	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures



Robert B. Hansohn
Public Arbitrator, Presiding Chairperson

October 13, 2014

Signature Date

Arthur F. Brueggeman
Public Arbitrator

Signature Date

John Marius Baker
Non-Public Arbitrator

Signature Date

October 14, 2014
Date of Service (For FINRA Dispute Resolution office use only)

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Robert B. Hansohn
Public Arbitrator, Presiding Chairperson

Signature Date

Arthur F. Brueggeman
Public Arbitrator

Signature Date



John Marius Baker
Non-Public Arbitrator

10-13-2014
Signature Date

October 14, 2014
Date of Service (For FINRA Dispute Resolution office use only)