

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Charles Schwab & Company, Inc.

Case No. 00-04112

Name of Respondents

Robert C. Sears, individually and
d/b/a Last Minute Concessions, Inc.,
d/b/a Last Minute Concessions, and
d/b/a Sears Casagrande & Hersh

Hearing Site: Boston, Massachusetts

REPRESENTATION OF PARTIES

Claimant, Charles Schwab & Company, Inc. ("Claimant"): John R. Snyder, Esq., and
Michael R. Weissmann, Esq., Bingham Dana LLP, Boston, MA.

Respondents, Robert C. Sears ("Sears"), Last Minute Concessions, Inc., Last Minute
Concessions, and Sears Casagrande & Hersh hereinafter collectively referred to as
"Respondents": Irving D. Labovitz, Esq., Irving D. Labovitz, P.C., Springfield, MA.

CASE INFORMATION

Statement of Claim filed on or about: September 19, 2000
Claimant signed the Uniform Submission Agreement: September 13, 2000
Respondents did not file a Statement of Answer
Respondents did not sign the Uniform Submission Agreement
Motion to Dismiss filed by Sears on: October 13, 2000
Motion to Stay Proceedings filed by Respondent on: October 26, 2000

CASE SUMMARY

Claimant asserted the following causes of action: Breach of contract, unfair and deceptive trade practices as defined by Mass. Gen. Laws ch. 93A Sections 2 and 11 and/or California Business and Professions Code Section 17200, *et seq.*, fraud, and indemnification. The causes of action relate to Sears's unlawful activities with respect to customer accounts that were held with Claimant.

Sears asserted the following defenses in Sears's Motion to Dismiss: estoppel, waiver of right to arbitrate claims, lack of NASD jurisdiction over Sears.

RELIEF REQUESTED

Claimant in the Statement of Claim requested:

Compensatory Damages	unspecified
Treble Damages	unspecified
Punitive Damages	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondent in Motion to Dismiss requested:

Attorneys' Fees	unspecified
Other Costs	unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Sears did not file with NASD Dispute Resolution, Inc. a properly executed Uniform Submission Agreement to arbitration but is required to submit to arbitration pursuant to the Code and having appeared is bound by the determination of the Panel on all issues submitted.

On October 27, 2000, the Panel denied Sears's Motion to Dismiss and granted Sears's temporary Motion to Stay. On February 8, 2001, the Panel lifted the Stay and scheduled hearing dates.

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. That Respondents are jointly and severally liable to Claimant and shall pay to Claimant the sum of \$886,981.97, including pre-judgement interest, in compensatory damages.
2. That Respondents are jointly and severally liable to Claimant and shall pay to Claimant the sum of \$1,587.83, including pre-judgement interest, for costs and expenses incurred from the investigative services of Schwab Direct
3. That Respondents are jointly and severally liable to Claimant and shall pay to Claimant the sum of \$197,306.19, including pre-judgement interest, in attorneys fees.
4. Claimant's claims for treble and/or punitive damages are denied in their entirety.
5. That any and all claims not specifically addressed herein are denied in their entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 500.00
--------------------------	-------------

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,200.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,000.00

Adjournment Fees

Adjournments requested during these proceedings:

Adjournment Fees

Adjournments requested during these proceedings:

April 3-5, 2000 Hearing Dates, adjournment by Sears = \$1,000.00

Forum Fees and Assessments

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

Three (3) Pre-hearing sessions with Panel x \$1,200	= \$3,600.00
Pre-hearing conferences: October 24, 2000	1 session
November 17, 2000	1 session
February 8, 2001	1 session

Two (2) Hearing sessions x \$1,200.00	= \$2,400.00
Hearing Dates: June 19, 2001	

Total Forum Fees	= \$6,000.00
------------------	--------------

Forum fees in the amount of \$6,000.00 is assessed against Sears.

Fee Summary

Claimant is assessed the following fees:

Initial Filing Fee	= \$ 500.00
Member Fees	= \$3,800.00
Injunctive Fee	= \$2,500.00

Total Fees	= \$6,800.00
Less payments	= \$7,800.00

Refund Due to Claimant	= \$1,000.00
------------------------	--------------

Sears is assessed the following fees:

Adjournment Fee

= \$1,000.00

Forum Fees

= \$6,000.00

Total Fees

= \$7,000.00

Less payments

= \$ 0.00

Balance Due NASD Dispute Resolution, Inc.

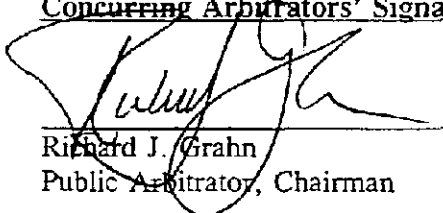
= \$7,000.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Richard J. Grahn, Esq.	-	Public Arbitrator, Chairman
Mr. John A. Seiler	-	Public Arbitrator, Panelist
Ms. Teresa M. Contardo	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Richard J. Grahn
Public Arbitrator, Chairman

Signature Date

John A. Seiler
Public Arbitrator

Signature Date

Teresa M. Contardo
Non-Public Arbitrator

Signature Date

August 3, 2001
Date of Service (For NASD-Dispute Resolution office use only)

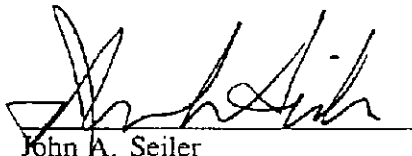
ARBITRATION PANEL

Richard J. Grahn, Esq.	-	Public Arbitrator, Chairman
Mr. John A. Seiler	-	Public Arbitrator, Panelist
Ms. Teresa M. Contardo	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Richard J. Grahn
Public Arbitrator, Chairman

Signature Date



John A. Seiler
Public Arbitrator



Signature/Date

Teresa M. Contardo
Non-Public Arbitrator

Signature Date

August 3, 2001
Date of Service (For NASD-Dispute Resolution office use only)