

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 02-05312 and 02-05313

Ghansham P. Kamta and Bebe Z. Kamta, Claimants vs. Charles Schwab & Co., Respondent.

Ghansham P. Kamta and Christine K. Kamta, Claimants. Vs. Charles Schwab & Co., Respondent.

ATTORNEYS:

For Claimants appeared George E. Victori, Esq. of the firm Lall & Associates, P.C., Ozone Park, NY.

Respondent appeared through its in-house counsel, Richard A. Karoly, Esq., San Francisco, CA.

DATE FILED: September 9, 2002

CASE SUMMARY: Claimants alleged that respondent computer system allowed them to place an order to sell short 200 shares of Xcelera.com, Inc. symbol XLA at a price of \$50,968.35. Claimant maintained that since they had no margin agreement in place and had not yet signed the margin agreement form, the computer program should not have accepted claimants order. Claimants further alleged that due to respondent's system, they suffered financial losses when respondent flatten the trade by purchasing 200 shares of XLA in claimants' account, without prior approval at a price of \$70,110.00.

Claim Data

02-05312

Claim: \$23,828.79

Interest: unspecified

Attorney Fees: unspecified

Filing Fees: \$425.00

Other: unspecified

Award Data

Award: \$.00

Interest: \$.00

Attorney Fees: \$.00

Filing Fees: \$212.50

Other: \$.00

02-05313

Claim: \$19,251.65

Interest: unspecified

Attorney Fees: unspecified

Filing Fees: unspecified

Other: unspecified

Award: \$.00

Interest: \$.00

Attorney Fees: \$.00

Filing Fees: \$212.50

Other: \$.00

AWARD: 02-05312: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of claimants are dismissed in their entirety. 2) All requests for attorney fees are denied. 3) All requests for interest are denied. 4) All other relief requests are denied.

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Award 02-05312 and 02-5313

5) The \$425.00 filing fee previously deposited with NASD Dispute Resolution by the claimants, shall be retained by NASD Dispute Resolution. 6) Respondent is liable and shall pay claimants \$212.50 as reimbursement of one half of the filing fee.

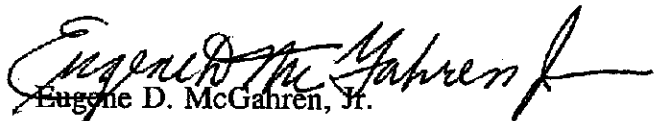
Award: 02-05313: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of claimants are dismissed in their entirety. 2) All requests for attorney fees are denied. 3) All requests for interest are denied. 4) All other relief requests are denied. 5) The \$425.00 filing fee previously deposited with NASD Dispute Resolution by the claimants, shall be retained by NASD Dispute Resolution. 6) Respondent is liable and shall pay claimants \$212.50 as reimbursement for one-half of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, respondent has paid to NASD Dispute Resolution the \$850.00 Member Surcharge previously invoiced.

OTHER ISSUES: Respondents' Motion to Consolidate claimant's claim was granted by the arbitrator prior to rendering a decision in the above-referenced cases.

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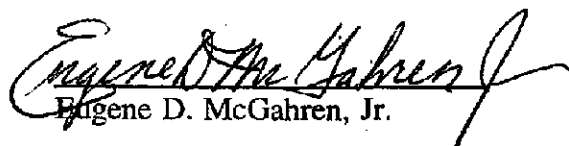
Award 02-05312 and 02-05313


Eugene D. McGahren, Jr.

Sole Public Arbitrator

AFFIRMATION

I, Eugene D. McGahren, Jr., 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.


Eugene D. McGahren, Jr.

April 2, 2003
Signature Date

April 10, 2003

Date of Service (For NASD-DR office use only)