

Award
NASD Dispute Resolution

COPY

In the Matter of the Arbitration Between:

Albert Pollari 1999 Trust a/k/a Albert Pollari Revocable Trust of July 15, 1999, Claimant v.
Charles Schwab & Co., Inc., Respondent

Case Number: 05-03743

Hearing Site: San Francisco, California

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

For Claimant:

Albert Pollari
Cupertino, California

For Respondent:

Sean B. Meehan, Esq.
Charles Schwab & Co., Inc.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: July 19, 2005

Claimant's Uniform Submission Agreement signed: July 19, 2005

Statement of Answer filed by Respondent Charles Schwab & Co., Inc. ("Schwab"): September 9, 2005

Respondent Schwab's Uniform Submission Agreement signed: September 9, 2005

CASE SUMMARY

Claimant alleged that Respondent should reimburse Claimant excessive margin interest charged to Claimant's account. Claimant also alleged negligence and breach of fiduciary responsibility with respect to Claimant's account. Claimant did not specify the securities at issue in this matter.

Respondent denied that it breached any margin discount agreement with Claimant. Respondent asserted that it bears responsibility for delaying, for a period of approximately seven days in June 2005, the partial transfer of Claimant's account to Brown & Company, and that the damages attributable to the delay are approximately \$2,500.00.

RELIEF REQUESTED

Claimant requested damages in the amount of \$33,337.88 and punitive damages in the amount of \$33,337.81.

Respondent requested dismissal of any breach of contract claims and alleged that Claimant should be awarded only those damages (of \$2,422.98) that actually and concededly resulted from Schwab's negligence in processing Brown & Company's partial transfer requests after May 2005.

OTHER ISSUES CONSIDERED AND DECIDED

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel finds the April 15, 2004, letter of Schwab to Albert Pollari to be imperfect. Accordingly, Respondent Schwab is liable to and shall pay Claimant the sum of \$5,000.00.
2. Claimant's claim for punitive damages is denied.
3. Each party shall bear its own costs, including any attorney's fees.
4. All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$225.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, Schwab is a party and the following fees are assessed:

Member Surcharge	= \$1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$1,700.00</u>
Total Member Fees	= \$3,550.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Hearing session @ \$750.00/session	= \$750.00
Hearing: December 1, 2005 1 session	
Total Forum Fees	= \$750.00

The Panel assessed the \$750.00 in forum fees to Respondent Schwab.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Less Payments</u>	<u>= \$(975.00)</u>
Refund Due Claimant	= \$(750.00)

2. Respondent Schwab is charged with the following fees and costs:

Member Fees	= \$ 3,550.00
<u>Forum Fees</u>	<u>= \$ 750.00</u>
Total Fees	= \$ 4,300.00
<u>Less Payments</u>	<u>= \$(1,100.00)</u>
Balance Due NASD Dispute Resolution	= \$ 3,200.00

All balances are payable to NASD Dispute Resolution and are payable upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Laurel Littman Gothelf, MPH
Colleen C. Hammer, Esq.
Donald S. Duerson

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures


Laurel Littman Gothelf, MPH
Chair, Public Arbitrator

12-7-05
Signature Date

Colleen C. Hammer, Esq.
Public Arbitrator

Signature Date

Donald S. Duerson
Non-Public Arbitrator

Signature Date

12/8/05
Date of Service


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