

PHILADELPHIA STOCK EXCHANGE, INC.

In the Matter of Arbitration Between :	:	:
Maxlyn D. Loos,	:	:
	Claimant :	Decision
v.	:	File #94-10
	:	:
Charles Schwab & Co., Inc.,	:	:
	:	:
	Respondent :	:

Claimant filed a Statement of Claim with the Philadelphia Stock Exchange, Inc. ("Exchange") on April 27, 1994. Claimant alleged that: 1) Charles Schwab Corporation had unreasonably refused to execute his July 30, 1990 market order for 125 United Air Lines 150 August 1990 puts; 2) Claimant was unfairly disadvantaged by Respondent by not being provided with Macintosh computer software (comparable to MS-DOS) which would allow him direct access to market information and the ability to trade in his account from home, via the personal home computer system; 3) Respondent's action of occasional contract amendment to limit liability resulted in Respondent providing less service and limiting Claimant's opportunity to win; 4) Respondent's employees engaged in intimidating, hostile and threatening behavior by allegedly placing nasty telephone calls to Claimant; 5) breach of contract; 6) breach of fiduciary duty; 7) fraudulent destruction of evidence; and 8) slander and libel. Claimant sought to recover damages/economic losses in excess of \$17.9 million plus punitive damages.

Respondent filed its Answer and Motion to Dismiss or Transfer on the Basis of Inconvenient Forum with the Exchange on July 13, 1994. Respondent denied Claimant's contentions and requested that the Statement of Claim be denied in its entirety. On January 4, 1995, Claimant filed a Motion For Leave to File Amended Claim to increase the damages originally requested to include punitive damages and a lost business opportunity claim in the amount of \$26.32 million. Respondent, on February 2, 1995 filed a response to Claimant's Amended Statement of Claim asserting that neither the facts nor applicable law provide a justifiable basis for awarding the damages requested.

Six preliminary hearing sessions were held in this matter on: October 4, 1994; December 12, 1994; December 13, 1994; December 21, 1994; January 6, 1995; and January 16, 1995. Two other hearing sessions were held concerning various motions on February 9, 1995 &

July 13, 1995. The January 24, 1995 hearing on the merits was continued pursuant to the arbitrators' granting of the continuance request as presented by Claimant. The hearings on the merits were held in Philadelphia, Pennsylvania wherein John Jordan, Esq., Andrew Davitt, Esq. and Jonathan J. Greystone, Esq. presided as the appointed and confirmed arbitrators. Opening statements, testimony, evidence and closing arguments were presented by the parties in Philadelphia, on February 28, 1995; March 1, 1995; July 18 and 20, 1995; and September 25 and 26, 1995. On July 18, 1995, Mr. Greystone voluntarily removed himself from the Panel. Both parties on July 18, 1995 agreed to continue the arbitration proceeding to the conclusion of the merits with the two remaining arbitrators deliberating and thereafter rendering a decision in this case.

After having heard the proofs of the parties, the arbitrators hereby decide and determine as follows:

1. Claimant's claims are denied in their entirety;
2. All costs shall be borne by that respective party; and
3. Forum fees associated with conducting the arbitration at the Philadelphia Stock Exchange shall be paid equally by the parties; that is 1/2 by Claimant Maxlyn D. Loos and 1/2 by Respondent Charles Schwab & Co., Inc. Claimant is to remit \$3,150.00 (\$1,000.00 initial deposit fee credit) to the Philadelphia Stock Exchange, Inc. within 10 days of receipt of this Decision. Respondent is to remit \$4,150.00 to the Philadelphia Stock Exchange, Inc. within 10 days of receipt of this Decision,

Respectfully Submitted,

Dated: 10/11/95

John Jordan, Esquire
Panel Chairman

Andrew Davitt, Esquire