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Award
NASD Regulation, Inc. ..

In the Matter of the Arbitration Between

Name of Claimant

Louis V. Albini, Jr.

Case No. 98-03873

Names of Respondents

Charles Schwab & Company, Inc.
Sandy Winick
Olde Monmouth Stock Transfer

Third-Party Respondent

Millenia Corporation, Inc.

REPRESENTATION OF PARTIES

Claimant Louis V. Albini, Jr. appeared pro se.

For Respondent Charles Schwab & Company, Inc. ("Schwab"): Amir Tadjedin, Esq.,
Associate General Counsel, Charles Schwab & Company, Inc., San Francisco, CA.

Respondent Olde Monmouth Stock Transfer ("Olde") did not appear.

For Respondent Sandy Winick ("Winick") and Third-Party Respondent Millenia Corporation
("Millenia"): Douglas B. Schwab, Esq. of the Law Offices of Douglas B. Schwab, Los
Angeles, CA.

CASE INFORMATION

Statement of Claim filed: December 15, 1998.

Claimant's Uniform Submission Agreement signed: October 15, 1998.

Respondent Schwab's Statement of Answer, Cross-Claim and Third-Party Claim filed:
March 16, 1999.

Respondent Schwab's Uniform Submission Agreement signed: February 22, 1999.

Respondents Winick and Olde did not file Statements of Answer to the Statement of Claim.

Respondent Winick and Third-Party Respondent Millenia's Statement of Answer to Cross-
Claim and Third-Party Claim filed: October 29, 1999.

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Respondents Winick, Olde and Third-Party Respondent Millenia did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant alleged the following: On July 24, 1998, Claimant purchased 10,000 shares of Millenia through Respondent Schwab. The CUSIP Number on these shares was Number 600362.10 7. On June 1, 1998, Respondent Millenia acquired control of Naturally Niagara Beverage Corporation. Respondent Millenia's Board of Directors voted a twenty for one reverse stock split of all outstanding shares of common stock of Millenia prior to November 29, 1997. However, NASDAQ was never notified of this action until August 7, 1998. On or about August 7, 1998, Respondent Schwab deleted 9,500 shares from Claimant's account as a result of this announcement. The stock purchased through Respondent Schwab with CUSIP Number 600362.10 7 was incorrectly adjusted for the reverse split and should have been forwarded through the proper channels to become reconciled, thus, reinstating Claimant's 9,500 shares. However, Third-Party Respondent Millenia's shareholders with stock certificates dated after June 1, 1998 were not affected by the twenty for one reverse split.

Respondent Schwab alleged the following: Although Respondent Millenia declared the split in November 1997, it failed to notify NASDAQ or the transfer agent of this split. Respondent Schwab further argued that it was only after Respondent Millenia informed NASDAQ of the split, that NASDAQ, in turn, notified Respondent Schwab that the split would become effective on August 7, 1998. Respondent Schwab argued that based on the NASDAQ notification, the 10,000 Millenia Corporation shares that Claimant purchased on July 24, 1998 were subject to the reverse split, and were properly adjusted by the transfer agent. Respondent Schwab further, to the extent that inaccurate press releases and other actions taken by co-Respondent Winick or Third-Party Respondent Millenia caused Claimant to suffer any of the damages alleged by him, Respondent Schwab sought indemnification from co-Respondent Winick and Third-Party Respondent Millenia.

Third-Party Respondent Millenia and Respondent Winick alleged the following in response to the third-party claim and the cross-claim: In or about November 1997, Third-Party Respondent Millenia effected a twenty for one reverse stock split with respect to its outstanding shares of common stock. Respondent Olde, Third-Party Respondent Millenia's transfer agent, was instructed to obtain a new CUSIP number and to notify the appropriate institutions, including NASDAQ. Respondent Olde failed to notify NASDAQ. Subsequently, NASDAQ learned of the reverse stock split and issued an announcement dated August 11, 1998 confirming the November 1997 reverse stock split and advising that "trades reported on or after August 7, 1998 should be executed on a post-split basis". In an effort to avoid any unfairness to shareholders who might have been affected by the NASDAQ announcement, Third-Party Respondent Millenia discussed this situation with Respondent Olde, the Deposit Transfer Company ("DTC"), and other entities in an effort to avoid any unfairness to shareholders who might be effected by the NASDAQ announcement. Thereafter, Respondent Schwab reduced the number of shares in Claimant's account to 500 based on the NASDAQ announcement.

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Further, after Claimant complained to Third-Party Respondent Millenia about the action by Respondent Schwab, Third-Party Respondent Millenia agreed to transfer 10,000 shares of common stock to Claimant in complete satisfaction of his claims regarding his July purchase. Claimant has received the 10,000 additional shares as promised from Respondent Winick, President of Third-Party Respondent Millenia. Therefore, it is improper for Claimant to continue to prosecute his claim against Respondent Schwab after having fully settled the matter. Further, Respondent Schwab is not entitled to indemnification from Third-Party Respondent Millenia since the NASDAQ announcement did not require that trades executed prior to August 7, 1998 be rolled back. As Third-Party Respondent Millenia advised its shareholders by a press release dated August 12, 1998, the only shares affected would be those trades which involved pre-split shares. In this regard, all shares issued by Third-Party Respondent Millenia after November 29, 1998 have been issued on a post split basis. Respondent Schwab has not established that the 10,000 shares acquired by Claimant in July 1998 were shares which had been originally issued prior to November 29, 1997.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$51,000.00; costs in an unspecified amount; and, attorneys' fees in an unspecified amount. Respondent Schwab requested that the Statement of Claim be dismissed in its entirety, plus costs and attorneys' fees. Respondent Schwab further requested indemnification from Respondent Winick and Third-Party Respondent Millenia for any adverse award rendered against it including attorneys' fees and costs. Respondent Winick and Third-Party Respondent Millenia requested that Respondent Schwab's cross-claim and third-party claim be dismissed in their entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Olde is not a member firm of the NASD and declined to submit to the jurisdiction of the NASD. On July 26, 1999, Claimant informed NASD Regulation that he had withdrawn, with prejudice, all claims against Respondent Olde.

Respondent Winick is not an associated person with a member firm of the NASD. On July 26, 1999, Claimant filed with NASD Regulation a notice of dismissal, with prejudice, with respect to Respondent Winnick. At the evidentiary hearing, Respondent Winick confirmed to the arbitration panel that he had agreed to submit to the jurisdiction of the NASD. Subsequently, Respondent Schwab informed the arbitration panel that it had dismissed, with prejudice, its cross-claim against Respondent Winick.

At the evidentiary hearing, Third-Party Respondent Millenia confirmed to the arbitration panel that it had agreed to submit to the jurisdiction of the NASD.

On October 25, 1999, the parties were informed that Arbitrator James Burchette had

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withdrawn from the arbitration panel. All parties agreed to proceed with the evidentiary hearing with the two remaining arbitrators.

The parties present at the hearing 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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's Statement of Claim is dismissed with prejudice.

Respondent Schwab's Third-Party Claim against Third-Party Respondent Millenia is dismissed, with prejudice.

Each party shall bear their respective costs and attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 120.00
Third-Party and cross-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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm Charles Schwab & Company, Inc. is a party.

Member surcharge	= \$ 800.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,000.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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 Panel x \$500	= \$1,000.00
Pre-hearing conferences:	
August 9, 1999 1 session	
October 25, 1999 1 session	
Four (4) Hearing sessions x \$500.00	= <u>\$2,000.00</u>

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Hearing Dates: November 8, 1999 2 sessions
November 9, 1999 2 sessions

Total Forum Fees = \$3,000.00

The Panel has assessed \$1,500.00 of the forum fees to Claimant.
The Panel has assessed \$1,500.00 of the forum fees to Respondent Schwab.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 120.00
<u>Forum Fees</u>	<u>= \$1,500.00</u>
Total Fees	= \$1,620.00
<u>Less payments</u>	<u>= \$ 520.00</u>
Balance Due NASD Regulation, Inc.	= \$1,100.00

Respondent Schwab be and hereby is solely liable for:

Type Filing Fee	= \$ 500.00
Member Fees	= \$2,400.00
<u>Forum Fees</u>	<u>= \$1,500.00</u>
Total Fees	= \$4,400.00
<u>Less payments</u>	<u>= \$4,000.00</u>
Balance Due NASD Regulation, Inc.	= \$ 400.00

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signature(s)

/S/
Diana A. Weiner, Esq.
Public Arbitrator, Presiding Chair

December 17, 1999
Signature Date

/S/
Anthony J. Vignocchi
Industry Arbitrator

December 17, 1999
Signature Date

December 20, 1999
Date of Service (For NASD office use only)

9/20/97

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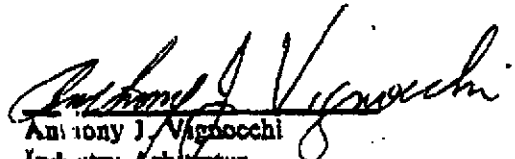
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Forum Fees	= \$1,500.00
Total Fees	= \$4,400.00
Less payments	= \$4,000.00
Balance Due NASD Regulation, Inc.	= \$ 400.00

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signature(s)


Diana A. Weiner, Esq.
Public Arbitrator, Presiding Chair

12-17-99
Signature Date


Anthony J. Vignocchi
Industry Arbitrator

12/17/99
Signature Date

Date of Service (For NASD office use only)