

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

David Shakarchi (Claimant) vs. Charles Schwab & Co., Inc. (Respondent)

Case Number: 99-04344

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, David Shakarchi, hereinafter referred to as "Claimant": Joseph H. Neiman, Joseph H. Neiman, Attorney at Law, Hackensack, NJ. Claimant originally appeared *pro se*.

Respondent, Charles Schwab & Co., Inc., hereinafter referred to as "Respondent": Daniel J. Brooks, Esq., Layton Brooks & Hecht, LLP, New York, NY. Previously represented by: Jane Mitchell Weston, Esq., Charles Schwab & Co., Inc., San Francisco, CA.

CASE INFORMATION

Statement of Claim filed on or about: September 21, 1999.

Claimant signed the Uniform Submission Agreement: September 20, 1999.

Statement of Answer filed by Respondent on or about: January 10, 2000.

Respondent signed the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; negligence; failure to disclose the risks of trading in Initial Public Offerings (IPOs); margin account violations; breach of fiduciary duty; and churning. Claimant's claim involved the IPOs of China.com and MP3.com Inc., the stock of Yahoo and Network Associates Inc., and other unspecified stocks and options.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: comparative negligence; ratification and estoppel; in pari delicto; unclean hands; and failure to mitigate damages.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$385,000.00.

Respondent requested that the Panel dismiss Claimant's claims in their entirety; award Respondent its costs in connection with defending this action; and award Respondent such other relief as provided by law.

OTHER ISSUES CONSIDERED AND DECIDED

During the hearing in this matter, Respondent made a motion to dismiss at the conclusion of Claimant's case. The Panel decided to hear the remainder of the case before ruling on said motion.

The parties 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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are hereby dismissed in their entirety.
2. All other requests for relief are hereby denied.

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	= \$ 300.00
--------------------------	-------------

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, Charles Schwab & Co., Inc. is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

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 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 \$1,125.00	= \$3,375.00
Pre-hearing conferences:	
June 20, 2000	1 session
October 23, 2000	2 sessions

Two (2) Hearing sessions x \$1,125.00	= \$2,250.00
Hearing Date: November 20, 2000 2 sessions	
Total Forum Fees	= \$5,625.00

The Panel has assessed all of the forum fees against Claimant.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$5,625.00
Total Fees	= \$5,925.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$4,500.00

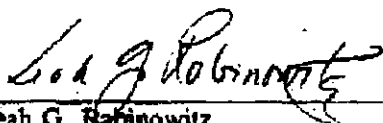
2. Respondent be and hereby is solely liable for:

Member Fees	= \$4,600.00
Total Fees	= \$4,600.00
Less payments	= \$4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.



Leah G. Rabinowitz
Public Arbitrator, Presiding Chair

Signature Date

Blair Allen, Esq.
Public Arbitrator

Signature Date

Patrick J. O'Neil
Industry Arbitrator

Signature Date

Patrick J. O'Neil
Industry Arbitrator

January 2, 2001

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

Leah G. Rabinowitz
Public Arbitrator, Presiding Chair

Signature Date

Blair Allen, Esq.
Public Arbitrator

Signature Date

Patrick J. O'Neil
Industry Arbitrator

Signature Date

January 2, 2001
Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 99-04344
Award Page 6

Concurring Arbitrators' Signatures


I, the undersigned arbitrator, 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.

Leah G. Rabinowitz
Public Arbitrator, Presiding Chair

Signature Date

Blair Allen, Esq.
Public Arbitrator

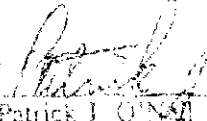
Signature Date



Patrick J. O'Neil
Industry Arbitrator

12/28/00

Signature Date

Blair Allen, Esq.
Public Arbitrator


Patrick J. O'Neil
Industry Arbitrator

January 2, 2001
Date of Service (For NASD office use only)