

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Names of Claimants

Brian Howard Woodrow and
Howard S. Woodrow

and

Case Number: 01-01544
Hearing Site: Detroit, Michigan

Name of Respondent

Charles Schwab & Co., Inc.

REPRESENTATION OF PARTIES

Brian Howard Woodrow and Howard S. Woodrow ("Claimants") were represented by Susan Payne Woodrow, Esq., Waterford, Michigan

Charles Schwab & Co., Inc. ("Respondent") was represented by Curt H. Mueller, Esq., Charles Schwab & Co., San Francisco, California.

CASE INFORMATION

The Statement of Claim was filed on or about March 27, 2001. The Submission Agreement of Claimants Brian Howard Woodrow and Howard S. Woodrow was signed on or about March 26, 2001.

Statement of Answer and Motion to Dismiss was filed by Respondent Charles Schwab & Co., Inc. on or about October 14, 2002.

Claimants' filed a Response to Charles Schwab Answer and Motion to Dismiss and Claimant' Motion for Summary Decision or to Limit on or about October 29, 2002.

CASE SUMMARY

Claimants asserted causes of action including the following: violation of U.S. banking laws, violation of fiduciary duty, violation of securities laws, violation of the NASD Rules of Fair Conduct, unauthorized transactions, violation of the Consumer Protection Statutes and regulations of the US and of Florida, and the commission of additional unfair and/or deceptive trade practices and/or acts. The causes of action relate to the alleged failure by Respondent to timely present a check thereby creating a margin balance in Claimants' Account.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted defenses including the following: Claimants have no legitimate basis for the relief they seek, Respondent did not restrict Claimants' accounts or prevent them from trading, the loss of use and investment return claim is purely speculative, and Respondent did not take any dividends or interest from Claimants' accounts

RELIEF REQUESTED

Claimants requested an award in the amount of \$214,171.21, in damages resulting from loss of use, investment returns and profits from not being able to invest their funds, in addition to lost dividends/interest of \$4,732.86, margin interest of \$2,729.22, tax liability of \$909.74, punitive damages of \$230,005.11, litigation costs of \$2,500.00, and reasonable attorney's fees of \$45,254.18.

Respondent requested that the claims asserted against it be dismissed in their entirety and that it be awarded its fees, costs, attorneys' fees and such other relief as provided by law.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Charles Schwab & Co., Inc. did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

During the Initial Pre-Hearing Conference held on February 28, 2003, the parties agreed to make oral arguments on the pending motions telephonically. The Panel heard oral arguments on Respondent's Motion to Dismiss and Claimant's Motion for Summary Decision or to Limit during the telephonic pre-hearing conference on May 23, 2003.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the telephonic hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims, each and all, are denied and dismissed with prejudice;

- 2.) Respondent, Charles Schwab & Co., Inc., is liable for and shall pay to Claimant, Brian Howard Woodrow and Howard S. Woodrow, the sum of \$300.00 as reimbursement for filing fees retained by NASD Dispute Resolution;
- 3.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 4.) That any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution 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(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is Charles Schwab & Co., Inc.

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

Forum Fees and Assessments

The Arbitration 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 \$1,125.00.00 = \$2,250.00
Pre-hearing conferences: February 28, 2003 1 session
May 23, 2003 1 session

Total Forum Fees = \$2,250.00

The Arbitration Panel has assessed \$2,250.00 of the forum fees to Charles Schwab & Co., Inc.

Fee Summary

Claimants, Brian Howard Woodrow and Howard S. Woodrow, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 1,425.00
Balance Refunded by NASD Dispute Resolution	= \$ 1,125.00

Respondent, Charles Schwab & Co., Inc., is liable for:

Member Fees	= \$ 4,600.00
Forum Fees	= \$ 2,250.00
Total Fees	= \$ 6,850.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 1,650.00

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

ARBITRATION PANEL

Ina N. Otto, Esq. - Public Arbitrator, Presiding Chair
David E. Nims, Esq. - Public Arbitrator
Sharon L. Paul - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Ina N. Otto, Esq.
Ina N. Otto, Esq.
Public Arbitrator, Presiding Chair

05/28/03
Signature Date

/s/ David E. Nims, Esq.
David E. Nims, Esq.
Public Arbitrator

05/27/03
Signature Date

/s/ Sharon L. Paul
Sharon L. Paul
Non-Public Arbitrator

05/28/03
Signature Date

05/28/03
Date of Service (For NASD office use only)

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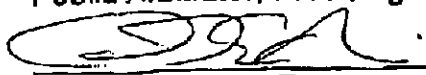
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10390(g) of the Code.

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David E. Nimms, Esq. - Public Arbitrator
Sharon L. Paul - Non-Public Arbitrator

Concurring Arbitrators:

Ina N. Otto, Esq.
Public Arbitrator, Presiding Chair


David E. Nimms, Esq.
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May 27, 2003
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NASD Dispute Resolution
 Arbitration No. 01-01544
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Concurring Arbitrators:



Ina M. Otto, Esq.
Public Arbitrator, Presiding Chair

5/28/05
Signature Date

David E. Nimms, Esq.
Public Arbitrator

Signature Date

Sharon L. Paul
Non-Public Arbitrator

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