

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Brooke Skiles, Claimant v. Charles Schwab and Co., Inc., Respondent

Case Number: 04-04932

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Member

REPRESENTATION OF PARTIES

For Claimant:

In Propria Persona
Los Angeles, California

For Respondent:

Richard A. Karoly, Esq.
Charles Schwab and Co., Inc.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: July 7, 2004

Claimant's Uniform Submission Agreement signed: July 29, 2004

Statement of Answer filed by Respondent: October 29, 2004

Respondent's Uniform Submission Agreement signed: October 29, 2004

CASE SUMMARY

Claimant alleged failure to supervise, negligence, omission of facts, fraud, and misuse of margin rules, involving unspecified securities.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$154,000.00 in account losses; \$300,000.00 in lost income, general damages, and fraud; \$50,000.00 for lost commissions; and \$2,496,000.00 for purposeful abuse of Claimant's account, concealment, luring tactics, disregard for Claimant's hard work, financial benefit gained by the broker on behalf of such conduct, and fraud.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On August 11, 2004, Claimant signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

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) Claimant's claims are denied in their entirety.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and 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 = waived

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, the member firm Charles Schwab and Co., Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 5,000.00
Total Member Fees	= \$ 8,550.00

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 Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: March 22, 2005 1 session	
1 Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: January 13, 2005 1 session	
2 Hearing sessions @ \$1,200.00/session	= \$ 2,400.00
Hearing: April 26, 2005 2 sessions	
Total Forum Fees	= \$ 4,050.00

1. The Panel assessed \$2,025.00 of the forum fees to Claimant.
2. The Panel assessed \$2,025.00 of the forum fees to Respondent.

Fee Summary

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

Forum Fees	= \$ 2,025.00
<u>Less payments</u>	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 2,025.00

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

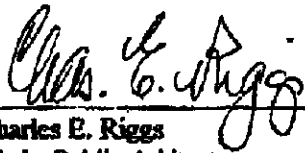
Member Fees	= \$ 8,550.00
<u>Forum Fees</u>	<u>= \$ 2,025.00</u>
Total Fees	= \$10,575.00
<u>Less payments</u>	<u>= \$(8,550.00)</u>
Balance Due NASD Dispute Resolution	= \$ 2,025.00

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

ARBITRATION PANEL

Charles E. Riggs	-	Public Arbitrator, Presiding Chair
Benjamin F. Breslauer	-	Public Arbitrator
Kathryn L. Krebs	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Charles E. Riggs
Chair, Public Arbitrator

4-27-2005
Signature Date

Benjamin F. Breslauer
Public Arbitrator

Signature Date

Kathryn L. Krebs
Non-Public Arbitrator

Signature Date

4/27/05
Date of Service

ARBITRATION PANEL

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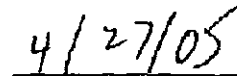
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Chair, Public Arbitrator

Signature Date



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Public Arbitrator



Signature Date

Kathryn L. Krebs
Non-Public Arbitrator

Signature Date



Date of Service

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