

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Gregory Walling

Case Number: 05-00496

Name of the Respondent
Charles Schwab & Co., Inc.

Hearing Site: Washington, D.C.

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant, Gregory Walling, hereinafter referred to as "Claimant", represented himself at the hearing in this matter.

Respondent, Charles Schwab & Co., hereinafter referred to as "Respondent", was represented by Brandon K. Hemley, Esq., Charles Schwab & Co., Inc., San Francisco, California.

CASE INFORMATION

Statement of Claim filed on January 31, 2005.

Claimant signed the Uniform Submission Agreement on January 22, 2005.

Statement of Answer filed by Respondent on March 22, 2005.

A representative of Respondent executed the Uniform Submission Agreement on March 22, 2005.

CASE SUMMARY

In the Statement of Claim, Claimant asserted a cause of action for negligence. The cause of action relates to the sale of Secured Income Limited Partnership.

Unless specifically admitted in its Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses, among others: assumption of the risk, comparative negligence, ratification, waiver, estoppel, failure to mitigate damages, and failure to state a claim upon which relief may be granted.

RELIEF REQUESTED

Claimant in the Statement of Claim requested:

Compensatory Damages	\$ 10,000.00
Other Costs	amount unspecified

Respondent requested that Claimant's claim be denied in its entirety and that the Arbitrator

award Respondent its arbitration and travel costs associated with defending Claimant's claim.

OTHER ISSUES CONSIDERED AND DECIDED

At the Initial Pre-hearing Conference Call on May 25, 2005, the parties requested that the hearing in this matter take place telephonically. The Arbitrator granted the parties' request.

At the hearing on the merits, Claimant orally amended his claim to request compensatory damages in the amount of \$10,700.00. The Arbitrator accepted the amendment.

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, the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable to and shall pay to Claimant the sum of \$10,700.00 in compensatory damages;
2. Respondent is liable to and shall pay to Claimant the sum of \$125.00 in reimbursement for the initial-claim filing fee;
3. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$ 125.00
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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. Accordingly, Respondent is a party.

Member surcharge	= \$ 425.00
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Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

One (1) Pre-hearing session with a single arbitrator @ \$ 450.00	= \$ 450.00
Pre-hearing conference: May 25, 2005 1 session	
One (1) Hearing session @ \$ 450.00	= \$ 450.00
Hearing Date: July 8, 2005 1 session	
Total Forum Fees	= \$ 900.00

The Panel has assessed \$ 900.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 125.00
Total Fees	= \$ 125.00
Less payments	= \$ 575.00
Refund owed Claimant	= \$ 450.00

2. Respondent is assessed and shall pay:

Member Fees	= \$ 425.00
Forum Fees	= \$ 900.00
Total Fees	= \$ 1,325.00
Less payments	= \$ 325.00
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

ARBITRATOR

Marvin Elster, Esq.

- Public Arbitrator, Presiding Arbitrator

Arbitrator's Signature



Marvin Elster, Esq.
Public Arbitrator, Presiding Arbitrator

July 8, 2005
Signature Date

July 11, 2005
Date of Service (For NASD Dispute Resolution office use only)