

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 06-03443

Daunne and Dean Fraley, (Claimants) vs. Paul McDonald and Charles Schwab & Co., Inc., (Respondents)

ATTORNEYS:

Claimants appeared *pro se*, Camarillo, CA.

For Respondent Charles Schwab & Co., Inc. appeared in-house counsel Sean Meehan, Esq., San Francisco, CA.

Respondent Paul McDonald did not submit an Answer to the Statement of Claim.

NATURE OF DISPUTE: Customers v. Member and Associated Person

DATE FILED: July 25, 2006

CASE SUMMARY: Claimants alleged that Respondents breached their fiduciary duty by placing unauthorized trades in their accounts. Claimants further alleged failure to supervise, negligence and fraud. Claimants maintained that due to Respondents' actions, they suffered a financial loss. Claimants' claims involved mutual funds and an IRA Rollover.

Claim Data

Claim: \$3,791.49
Interest: \$1,195.00
Filing Fees: \$175.00
Other: \$108.61

Award Data

Award: \$3,791.49
Interest: \$.00
Filing Fees: \$175.00
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant Daunne Fraley are dismissed in their entirety. 2) The claims of Claimants against Respondent Paul McDonald are dismissed in their entirety. 3) Respondent Charles Schwab & Co., Inc. is solely liable and shall pay to Claimant Dean Fraley \$3,791.49. 4) All requests for interest are denied. 5) All other relief requests are denied. 6) NASD Dispute Resolution shall retain the \$175.00 filing fee that the Claimants deposited previously. 7) Respondent Charles Schwab & Co., Inc. is solely liable and shall pay Claimant Dean Fraley \$175.00 as reimbursement of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent, Charles Schwab & Co., Inc., has paid to NASD Dispute Resolution the \$200.00 Member Surcharge previously invoiced.

OTHER ISSUES: Pursuant to the By-Laws of NASD Dispute Resolution, the arbitrator determined that Respondent Paul McDonald was served notice of the Statement of

Page Two
Award 06-03443

Claim and Notification of Arbitrator by regular mail, and Overdue Notice by certified mail, is therefore bound by the arbitrator's ruling and determination.

Page Three
Award 06-03443

Pamela Kay Nemeth

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Sole Public Arbitrator

AFFIRMATION

I, Pamela Kay Nemeth, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.



Pamela Kay Nemeth

12-11-2006

(Signature Date)

December 12, 2006

Date of Service (For NASD-DR office use only)