

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

R. WAYNE & DIE A. BROWN JTEN

Claimants

and

CHARLES SCHWAB & CO., INC.

Respondent

CASE NO. 88-02194

CASE SUMMARY

In their claim with the NASD on or about July 11, 1988 Claimants R. Wayne Brown & and Die A. Brown ("Claimant") alleged that Respondent Charles Schwab & Co., Inc. had improperly handled their account by refusing to accept orders to either purchase or sell option positions.

In its answer and cross claim filed with the NASD on or about September 1, 1988, Respondents Charles Schwab & Co., Inc. deny the allegations that the claimants account was improperly handled. Respondent further stated that the Claimants are barred from pursuing this claim pursuant to the terms of a binding settlement agreement. Respondent alleged in its cross-claim that Claimants have an outstanding debit balance.

In this reply to the cross-claim filed with the NASD on or about November 10, 1988, Claimants stated that the settlement agreement was executed with the understanding that the account would be investigated further.

RELIEF REQUESTED

Claimants requested an award estimated at \$18,000.00.

Respondent requested that the Statement of Claim be denied and requested an award on its cross-claim in the amount of \$2,934.21.

AWARD

On Thursday, March 22, 1990, in Houston, Texas during a hearing lasting one (1) session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on July 6, 1988 by Claimants R. Wayne Brown and Die Ann Brown, on August 31, 1988 by Richard S. Dangerfield on behalf of Respondent Charles Schwab & Co., Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim shall be and hereby is dismissed and denied in its entirety;
2. The cross-claim of Respondent shall be and hereby is dismissed and denied in its entirety;
3. Each party shall bear its own costs, expenses and fees including attorneys fees incurred in this matter not specifically enumerated herein; and
4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$300.00 of the \$400.00 filing fee previously deposited with the NASD by the Claimant R. Wayne Brown.

By the Panel

Dated: March 22, 1990 /S/ Michael E. McGown, Esq.
Presiding Chair

Dated: March 22, 1990 /S/ John W. Field

Dated: March 22, 1990 /S/ Thomas J. Lisenby

Date Served: 3-28-90