

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Charles Schwab & Co., Inc.

Claimant(s)

vs.

Jamie Kelly Farris, an
individual and Tax Advantaged Investments
Corporation

Respondent(s)

AWARD

CASE #89-00023

Heard before the arbitrator:

Walter Hitchcock

SUMMARY OF ISSUES

This case was filed on January 4, 1989. Claimant alleged that Claimant and Respondents entered into a written agreement wherein Respondents opened cash, options, margin and short accounts; that Claimant, under the specific instructions of Respondents, bought 25 Standard & Poor 100 Index December 215 Puts; that as a result of the failure of Respondents to pay for such transactions, and pursuant to federal regulations, the account was liquidated resulting in a debit balance of \$9,260.50. No answer was filed by the Respondents.

DAMAGES AND RELIEF REQUESTED

Claimant prayed for entry of judgment against Respondents as follows: 1) \$9,2650.50 principal, 2) accrued interest from November 6, 1987 until the date judgment is entered, at the rate provided by law; 3) reasonable attorneys fees according to proof; 4) costs, and 5) such other and further relief as the panel considers proper.

DAMAGES AND RELIEF AWARDED

On October 27, 1989 the undersigned arbitrator heard the controversy in one session between the parties as set forth in submissions to arbitration signed by Claimant on December 29, 1988. Respondents, duly notified of the arbitration hearing date, and subject to jurisdiction of the National Association of Securities Dealers, Inc. pursuant to Section 12 of the Code of Arbitration Procedure did not appear at the arbitration hearing. The arbitrator, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted

for determination as follows:

1. Respondents are liable for and shall pay to the Claimant the sum of Nine Thousand Two Hundred Sixty Dollars and Fifty Cents (\$9,260.50), plus interest in the amount of Two Thousand One Hundred Dollars (\$2,100.00). Said liability is joint and several.

2. Pursuant to paragraph 14 of the Schwab written Terms and Conditions, Respondents are liable for and shall pay to Claimant attorney fees in the amount of Five Thousand Five Hundred Eighty Three Dollars and Fifty Centers (\$5,583.50). Said liability is joint and several.

Pursuant to Section 43 of the National Association of Securities Dealers, Inc ("NASD") Code of Arbitration Procedure, the NASD shall retain the \$700 filing fee previously deposited by the Claimant. Respondents shall reimburse Claimant said \$700.00

DATE SERVED: November 22, 1989