

**IN ARBITRATION  
UNDER CHAPTER XVIII OF THE RULES  
OF THE CHICAGO BOARD OPTIONS EXCHANGE, INCORPORATED**

In The Matter Of	)	
	)	
John and Arlene Bengel,	)	
	)	
Claimants,	)	DECISION
	)	
v.	)	File No. 98NM009
	)	
Charles Schwab & Co., Inc.,	)	
	)	
Respondent.	)	
	)	

**Representation**

For Claimant(s):	Pro Se
For Respondent(s):	Steve M. Murphy, Charles Schwab & Co., Inc., San Francisco, CA

**Pleadings**

Statement of Claim, filed on or about:	August 31, 1998
Answer, filed on or about:	October 7, 1998

**Hearing**

Pursuant to Chicago Board Options Exchange ("Exchange" or "CBOE") Rule 18.4, Simplified Arbitration, the claim was decided by a single public arbitrator knowledgeable in the securities industry solely upon the pleadings and evidence filed by the parties. The named parties had full opportunity to present written arguments and evidence for consideration by the agreed upon public arbitrator.

**Summary of Issues**

The dispute, claim or controversy involves a market order to sell 10 Alcoa July 70 puts on July 14, 1998. John and Arlene Bengel ("Claimants") allege that Charles Schwab & Co., Inc. ("Respondent") breached its fiduciary duty to Claimants by obtaining an improper execution price on their order. Claimants assert damages in the amount of approximately \$1,500.00 for losses incurred as a result of the erroneous execution. Respondent denies all allegations and requests that the claim be dismissed in its entirety.

**Award\***

After due deliberation and consideration of the pleadings, documentary evidence, and other submissions of the parties, the undersigned arbitrator, in full and final settlement of all issues in controversy, awards as follows:

Upon the written record submitted to me by the CBOE (by letter dated November 16, 1998), after execution and return of the Arbitrator's Oath, and after reading CBOE Rule 18.4, my decision is to deny the claims of Claimants in CBOE Arbitration File No. 98NM009.

**Forum Fees**

Pursuant to Exchange Rule 18.33, the Arbitrator assesses forum fees in the total amount of \$50.00 (\$25.00 filing fee plus \$25.00 simplified arbitration fee) against Claimants. The forum fees previously paid by the Claimants in the amount of \$50.00 shall be retained by the Exchange.

/s/ Bradford Allen  
Bradford Allen, Public Arbitrator

December 17, 1998  
Date

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\* Pursuant to CBOE Rule 18.31, all monetary awards shall be paid within thirty (30) days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction.