

N.A.S.D. REGULATION AWARD
NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

CASE: 99-01335

Charles Schwab & Co., claimant vs. Mario J. Heraux, respondent.

ATTORNEYS:

For Claimant Charles Schwab & Co. ("Claimant") appeared Mauricio J. Rauld, Esq. of the firm Keesal, Young & Logan, Long Beach, CA.

Respondent Mario J. Heraux ("Respondent") did not respond to Claimant's Statement of Claim.

DATE FILED: 03/19/99

CASE SUMMARY: Claimant alleged during the last week of May 1996 and the first week of June 1996, Respondent's account fell below Claimant's and the federally mandated margin maintenance requirements. Claimant also alleged that Respondent was issued notice in both written and telephonic margin call notices. Each notice set forth the amount necessary to maintain the position in Respondent's margin account. Claimant further alleged that Respondent failed to respond to the margin calls in a timely manner. On June 6, 1996, Claimant liquidated the account, leaving it with an unsecured debit balance of \$20,321.34. Claimant alleged that Respondent has failed to pay for the debit balance in his account.

Claim Data

Claim: \$20,321.34
Interest: \$7,427.03

Award Data

Award: \$20,321.34
Interest: \$7,427.03

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent is liable and shall pay to the claimant \$20,321.34. 2) Respondent is liable and shall pay to claimant \$7,427.03 in interest. 3) The \$1,050.00 filing fee previously deposited with the National Association of Securities Dealers Regulation, Inc. by the claimant, shall be retained by NASD Regulation, Inc.

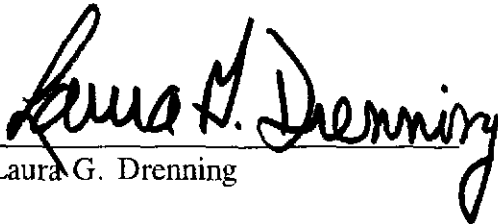
OTHER FEES: Pursuant to Rule 10333 of the Code, claimant has paid to NASD Regulation, Inc. the \$400.00 Member Surcharge previously invoiced.

OTHER ISSUES: Pursuant to the By-Laws of NASD Regulation, the arbitrator determined that respondent was served notice of the Statement of Claim, Overdue Notice and Notification of Arbitrator by regular mail and is therefore bound by the arbitrator's ruling and determination.

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AFFIRMATION

I, Laura G. Drenning, 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.



Laura G. Drenning

April 18, 2000

Date of award