

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Charles Schwab & Co., Inc., (Claimant) vs. David O'Brien and Kathleen Murphy,
(Respondent()).

Case Number: 99-01896

REPRESENTATION OF PARTIES

Claimant, Charles Schwab & Co., Inc., hereinafter referred to as "Claimant":
Richard A. Karoly, Esq., Charles Schwab & Co., Inc., San Francisco, California.

Respondents, David O'Brien ("O'Brien") and Kathleen Murphy ("Murphy"),
hereinafter collectively referred to as "Respondents": Tomball, Texas.

CASE INFORMATION

Statement of Claim filed on or about: April 23, 1999
Claimant signed the Uniform Submission Agreement: April 21, 1999
Respondents did not file a Statement of Answer and did not sign a Uniform
Submission Agreement.

CASE SUMMARY

Claimant asserted the following cause of action: failure to cure a margin
maintenance debit from February of 1999 in accordance with the terms of the
Account Agreement.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$57,726.05
Interest	7.25% per annum from March 1, 1999 through the presented
Attorneys' Fees	unspecified
Other Costs	unspecified

Other Monetary/Non-Monetary Relief if any: unspecified

OTHER ISSUES CONSIDERED AND DECIDED

On or about November 16, 1999, Claimant filed a motion to have the case decided as a simplified arbitration under Rule 10302 of the NASD Code of Arbitration Procedure (the "Code"). After careful consideration, the Panel granted the motion.

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned Panel determined that Respondents, David O'Brien and Kathleen Murphy, have been properly served with the Statement of Claim and received due notice of the Panel, and that arbitration of the matter would proceed without an answer by Respondents in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents, David O'Brien and Kathleen Murphy, did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

AWARD

After considering the pleadings and evidence presented in the pleadings, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, David O'Brien and Kathleen Murphy, are jointly and severally liable for and shall pay to Claimant, Charles Schwab & Co., Inc., \$57,726.05 in compensatory damages plus simple interest at the rate of \$11.62 per day from March 1, 1999 until paid; and
2. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$1,000

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is Charles Schwab & Co., Inc.

Member surcharge	= \$1,000
Pre-hearing process fee	= \$600
Hearing process fee	= \$1,500

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750	= \$750
Pre-hearing conference: October 12, 1999	1 session
Simplified Arbitration Fee with Panel x \$750	= \$750
	1 session
<hr/> Total Forum Fees	<hr/> = \$1,500

1. The Panel has assessed \$1,500 of the forum fees jointly and severally to David O'Brien and Kathleen Murphy.

Fee Summary

1. Claimant, Charles Schwab & Co., Inc., be and hereby is solely liable for:

Initial Filing Fee	= \$1,000
Member Fees	= \$3,100
<hr/> Total Fees	<hr/> = \$4,100
<u>Less payments</u>	<u>= \$4,850</u>
Refund	= \$750

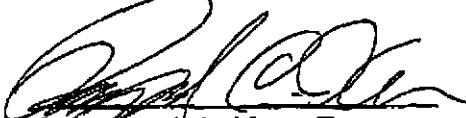
2. Respondents, David O'Brien and Kathleen Murphy, are jointly and severally liable for:

Forum Fees	= \$1,500
<hr/> Total Fees	<hr/> = \$1,500
<u>Less payments</u>	<u>= \$0</u>
Balance Due NASD Regulation, Inc.	= \$1,500

tion, Inc., Office of Dispute Resolution
 Case No. 99-01896

balances are due to NASD Regulation, Inc.

Concurring Arbitrators' Signatures



Raymond C. Kerr, Esq.
 Public Arbitrator, Presiding Chair

3/31/00
 Signature Date

 Patrick Lanier, Esq.
 Public Arbitrator

 Signature Date

 Edward K. Neuhaus
 Industry Arbitrator

 Signature Date

 Date of Service (For NASD office use only)

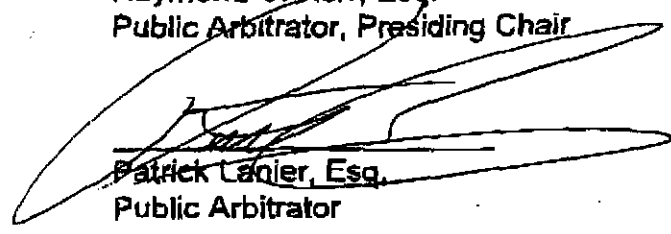
ic, Office of Dispute Resolution
99-01896

ces are due to NASD Regulation, Inc.

curring Arbitrators' Signatures

Raymond C. Kerr, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Patrick Lanier, Esq.
Public Arbitrator

4/5/00

Signature Date

Edward K. Neuhaus
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

Regulation, Inc., Office of Dispute Resolution
Case No. 99-01896
4 of 4

All balances are due to NASD Regulation, Inc.

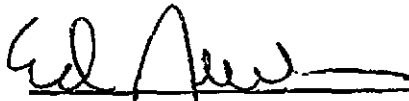
Concurring Arbitrators' Signatures

Raymond C. Kerr, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Patrick Lanier, Esq.
Public Arbitrator

Signature Date



Edward K. Neuhaus
Industry Arbitrator

4/3/00

Signature Date

Date of Service (For NASD office use only)