

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

CASE: #99-02706

Charles Schwab & Company, Inc., claimant vs. John D. Matz, respondent.

ATTORNEYS:

For Claimant, Charles Schwab & Company, Inc., appeared Corporate Attorney,
Richard A. Karoly, Esq., San Francisco, CA.

Respondent, John D. Matz, did not respond to the Statement of Claim.

DATE FILED: June 14, 1999

CASE SUMMARY: Claimant alleged that respondent sold short sales of several securities including Egghead.Com, Inc on margin, resulting in a debit balance in his account.

Claim Data

Claim: \$25,000.00

Interest: 7.75% per annum from 1/1/99

Filing Fees: \$1,450.00

Award Data

Award: \$25,000.00

Interest: 7.75% per annum from
6/11/99 to date of payment

Filing Fees: \$1,450.00

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 \$25,000.00. 2) Respondent is liable and shall pay to the claimant interest at the rate of 7.75% per annum from 6/11/99 to date of payment. 3) All other relief requests are denied. 4) The \$1,450.00 filing fee previously deposited with the National Association of Securities Dealers Regulation, Inc. by the claimant, shall be retained by NASD Regulation, Inc. 5) Respondent is liable and shall pay claimant \$1,450.00 as reimbursement of the filing fee.

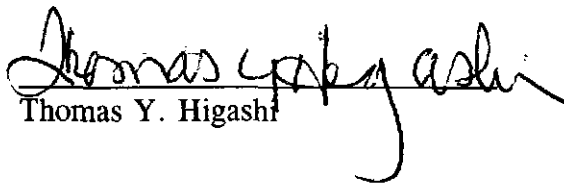
OTHER FEES: Pursuant to Rule 10333 of the Code, claimant has paid to NASD Regulation, Inc. the \$400.00 Member Surcharge previously invoiced.

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, Thomas Y. Higashi, 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.


Thomas Y. Higashi

June 22, 2000

Date of award