

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimants

Case Number: 08-02135

Marc Mauney & Lynne Rogerson Revocable Living Trust
Qualified Terminable Interest Trust

Respondent

Hearing Site: Seattle, Washington

Charles Schwab & Co., Inc.

Nature of the Dispute: Customers vs. Member

REPRESENTATION OF PARTIES

Claimants, Marc Mauney & Lynne Rogerson Revocable Living Trust, and Qualified Terminable Interest Trust, hereinafter collectively referred to as "Claimants": John Bender, Esq., and Robert R. King, Esq., Ryan, Swanson & Cleveland, PLLC, Seattle, Washington.

Respondent, Charles Schwab & Co., Inc., hereinafter referred to as "Schwab" or "Respondent": Steven Young, Esq., and Garrett R. Wynne, Esq., Keesal, Young & Logan, San Francisco, California.

CASE INFORMATION

Statement of Claim filed on or about: June 24, 2008

Claimant Qualified Terminable Interest Trust signed the Submission Agreement: June 19, 2008

Claimant Marc Mauney & Lynne Rogerson Revocable Living Trust signed the Submission Agreement: June 20, 2008

Statement of Answer filed by Respondent on or about: October 9, 2008

Respondent signed the Submission Agreement: July 31, 2008

CASE SUMMARY

Claimant asserted the following causes of action: 1) violation of the Federal Securities Act of 1933; 2) violation of the Washington State Securities Act; and 3) violation of the Washington Consumer Protection Act. Claimants' dispute involved the purchase of shares of Schwab YieldPlus Fund Select Shares ("SWYSX").

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Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested damages in excess of \$543,000.00, plus interest from March 28, 2008.

Respondent requested the Panel:

1. Issue an award finding that Claimants are not entitled to recover damages from Schwab and dismissing their claims in their entirety with prejudice;
2. Award Schwab its costs; and
3. Award Schwab all other relief as provided by law.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel acknowledges that they have each read the pleadings and other materials filed by the parties.

At the evidentiary hearing, Respondent brought a Motion to Exclude witnesses regarding the Revised Code of Washington ("RCW") section §19.86 claims. The Panel ruled to limit the number of witnesses on the issue. The parties did not produce such witnesses, but offered a stipulation which was entered into the record.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

1. Respondent is liable to and shall pay Claimants the sum of \$104,204.00 as relating to the account ending in 846.
2. Respondent is liable to and shall pay Claimants the sum of \$88,997.93 as relating to the account ending in 995.
3. Respondent is liable to and shall pay Claimants attorneys' fees in the amount of \$53,359.00, pursuant to RCW 19.86.090 and RCW 21.20.430(1).
4. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

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Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial claim filing fee = \$1,575.00

**The filing fee is made up of a non-refundable and a refundable portion.*

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. Accordingly, as a party, Schwab is assessed the following:

Member surcharge = \$ 2,250.00
 Pre-hearing process fee = \$ 750.00
 Hearing process fee = \$ 4,000.00

Discovery-Related Motion Fees

Fees apply for each decision rendered on a discovery-related motion.

One (1) Decision on a discovery-related motion on the papers with three arbitrators @ \$200.00 = \$600.00
 Claimants submitted a discovery-related motion.

Total Discovery-Related Motion Fees = \$600.00

1. The Panel has assessed \$300.00 of the discovery-related motion fees jointly and severally to Claimants.
2. The Panel has assessed \$300.00 of the discovery-related motion fees to Respondent.

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 15-18, 2009, adjournment by Parties = waived

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A 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 a single arbitrator @ \$450.00/session = \$ 450.00
 Pre-hearing conference: June 24, 2009 1 session

One (1) Pre-hearing session with Panel @ \$1,200.00/session = \$1,200.00
 Pre-hearing conference: November 20, 2008 1 session

Eight (8) Hearing sessions @ \$1,200.00/session = \$9,600.00
 Hearing Dates: December 15, 2009 2 sessions

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December 16, 2009	2 sessions
December 17, 2009	2 sessions
December 18, 2009	2 sessions

Total Hearing Session Fees	= \$11,250.00
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1. The Panel has assessed \$5,625.00 of the hearing session fees jointly and severally to Claimants.
2. The Panel has assessed \$5,625.00 of the hearing session fees to Respondent.

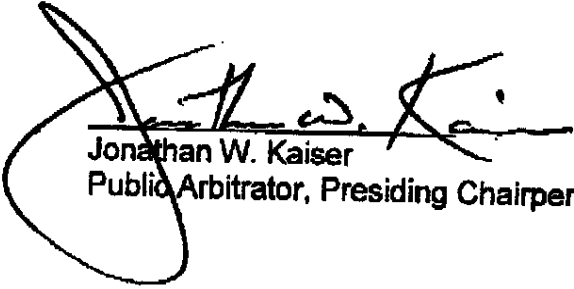
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

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ARBITRATION PANEL

Jonathan W. Kaiser	-	Public Arbitrator, Presiding Chairperson
Joseph C. Roberts	-	Public Arbitrator
Sheryl Ann Seipp	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Jonathan W. Kaiser
Public Arbitrator, Presiding Chairperson

4/08/2010
Signature Date

Joseph C. Roberts
Public Arbitrator

Signature Date

Sheryl Ann Seipp
Non-Public Arbitrator

Signature Date

4/9/10
Date of Service (For FINRA Dispute Resolution use only)

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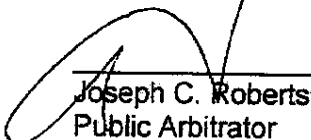
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Jonathan W. Kaiser
Public Arbitrator, Presiding Chairperson

Signature Date



Joseph C. Roberts
Public Arbitrator

4-6-10
Signature Date

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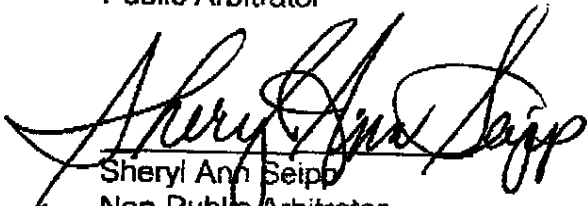
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Public Arbitrator

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4/6/10

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