

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-03723

Paula A. Ladne, Claimant v. Charles Schwab & Co. Inc.

ATTORNEYS:

Claimant, Paula A. Ladne, ("Claimant"), appeared *pro se*, Bellevue, WA.

Respondent, Charles Schwab & Co. Inc., ("Respondent"), appeared through its in-house counsel, Janet Epstein, Esq., San Francisco, CA.

NATURE OF DISPUTE: Customers vs. Member.

DATE FILED: May 21, 2004.

CASE SUMMARY: Claimant alleged that she placed an unsolicited requested for the purchased of 8000 shares of American Enterprise.com ("AMER") at the market price on November 29, 2002. Claimant contends that she did not research the stock well enough, but maintained that Respondent should not have allowed her to place market orders in thinly traded stocks and that Respondent did not negotiate the best price for the day. Claimant maintained that due to Respondent's actions her account suffered losses.

ARBITRATOR'S REPORT: Charles Schwab Corporation is a discount stockbroker, not a full service broker. As a discount broker, its customers either know or should know that they will receive little to no "hand holding" or advice when making a trade. Claimant here admits to having made a bad trade, but wants Charles Schwab to cover that trade on the basis that Charles Schwab should not have given her the freedom to have made such a trade.

Though one can certainly argue about the pros and cons of Charles Schwab giving its customers the freedom to engage in market orders on thinly traded stocks, this is not the forum for such arguments. Charles Schwab simply cannot be held liable for Claimant's own mistakes.

Claim Data

Claim: \$14,749.00
Punitive: 5,251.00
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$.00
Punitive: \$.00
Filing Fees: \$.00
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant are dismissed in their entirety. 2) All requests for punitive damages are denied. 3) All other relief requests are denied. 4) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously.


OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

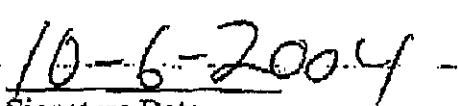
Page Two
Award 04-03723

Daniel P. Harris, J.D. - Sole-Public Arbitrator

AFFIRMATION

I, Daniel P. Harris, J.D. 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.


Daniel P. Harris, J.D.


Signature Date

October 25, 2004
Date of Service (For NASD-DR office use only)