

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

JAMES M. WREDE

Claimant

and

CHARLES SCHWAB & COMPANY, INC.

Respondent

CASE NO. 89-01679

CASE SUMMARY

In a claim filed with the NASD on or about June 9, 1989, Claimant James M. Wrede ("Claimant") alleged that Respondent Charles Schwab & Company, Inc. ("Respondent") was negligent in failing to provide material information and documents. Claimant also alleged that Respondent negligently misinformed Claimant that there were no documents to forward regarding the securities issued by Macrodyne Industries, Inc.

In its Answer filed with the NASD on or about September 5, 1989 Respondent stated that Claimant was aware of the risks involved in the purchase of high risk subordinated debt instruments. Respondent further stated that it provided Claimant with all the information required by law.

RELIEF REQUESTED

Claimant requested an award of \$350,000.00 in compensatory damages and \$75,000.00 in punitive damages.

Respondent requested that the Statement of Claim be dismissed in all respects.

AWARD

On Monday, July 23, 1990 in Minneapolis, Minnesota during a hearing lasting one (1) session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on June 7, 1989 by Claimant James M. Wrede, on August 7, 1989 by Richard S. Dangerfield on behalf of Respondent Charles Schwab & Co., Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim shall be and hereby is dismissed and denied in its entirety;
2. Each party shall bear its own costs and expenses incurred in this matter not specifically enumerated herein; and
3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$750.00 filing fee previously deposited with the NASD by the Claimant James M. Wrede.

By the Panel

Dated: _____

/S/

Albert A. Woodward, Esq.
Presiding Chair

Dated: 8/13/90

/S/

Wendy A. Sacha
Wendy A. Sacha

Dated: _____

/S/

David M. Ginter

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Dated: 9-3-91

/S/

By the Panel

Albert A. Woodward, Esq.
Presiding Chair

Dated: _____

/S/

Wendy A. Sacha

Dated: _____

/S/

David M. Ginter

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By the Panel

Dated: _____

/S/

Albert A. Woodward, Esq.
Presiding Chair

Dated: _____

/S/

Wendy A. Sacha

Dated: 8/2/90

/S/

David M. Ginter