

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Charles Schwab & Company, Inc.

90-02058

Name of Respondent

Robert C. Le Beau

REPRESENTATION

Claimant was represented by Andrew W. Stroud, Esq. of the firm Orrick, Herrington & Sutcliffe. Respondent represented himself.

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on July 25, 1990. Claimant alleged breach of contract in that it executed sale of Beta Tech Robotics and Ambergres Caye stock for respondent in his account which were subsequently discovered to be nontransferable so that the sales could not be completed. Claimant was therefore required to purchase other shares on the open market to cover claimant's sales transaction, which resulted in a debit in his account.

No answer was filed by respondent but he appeared at the arbitration hearing and was allowed to present a defense.

DAMAGES AND RELIEF REQUESTED

Claimant requested:

1. Compensatory damages of \$40,392.55;
2. Interest thereon, from May 27, 1988;
3. Costs, including attorneys' fees.

DAMAGES AND RELIEF AWARDED

On July 31, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on July 3, 1990. Respondent LeBeau did not file a submission agreement but appeared at the hearing and stated on the record that he would submit to the jurisdiction of the NASD. The hearing was conducted in San Francisco, California and lasted two sessions. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Claimant is liable for and shall pay to respondent the sum of \$40,392.55 in compensatory damages.
2. Claimant is liable for and shall pay to respondent interest at the rate of eight percent on \$40,392.55 from May 27, 1988 to the date the award is paid.
3. The parties shall each bear their respective costs including attorneys' fees.
4. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$600.00 filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrators.

ARBITRATORS

Heard before:

Name

Mario Henry Barsotti

Barbara Allen Brooks

Terrence W. Dorsey

Public/Industry

Public Chairperson

Public

Industry

ARBITRATORS CONCURRING

Mario Henry Barsotti

Barbara Allen Brooks
Barbara Allen Brooks

DATE SERVED: 08/26/91

Date of Decision: _____