

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Cecelia Gleisinger & J. Allan Gleisinger

91-00623

Name of Respondent

Charles Schwab & Company, Inc.

REPRESENTATION

For Claimants: Claimants Cecelia and J. Allan Gleisinger represented themselves.

For Respondent: David Montgomery, Esq. from the lawfirm of Keating, Muething & Klekamp.

CASE INFORMATION

Statement of Claim filed on: February 25, 1991.

Claimant's Submission Agreement signed on: February 22, 1991.

Statement of Answer filed by Respondent, Charles Schwab & Co., Inc. on: April 25, 1991.

Respondent's Submission Agreement signed on: March 12, 1991.

HEARING INFORMATION

Hearing Date/Sessions: August 7, 1991, 2 sessions.

Hearing Location: Cincinnati, Ohio

CASE SUMMARY

Claimants Cecelia Gleisinger and J. Allan Gleisinger ("Claimants") alleged that Respondent Charles Schwab & Co., Inc. ("Respondent") failed to properly execute their order to purchase 90 option contracts on November 30, 1990. Claimants alleged that this order could not be placed because Respondents had not properly maintained its customer records and that due to Respondents failure to maintain customer records, Claimants were unable to purchase the contracts at the then current ask price.

Respondent maintained that (1) Claimants should not have been trading options because they did meet Respondents option trading standards and misrepresented to Respondents that they met such standards, (2) Respondent's initial refusal to place Claimants' order did not violate any rules of the NASD or any exchange or any contractual or other duty to Claimants, (3) Respondent's employees who handled Claimants' account did so in accordance with Respondent's trading policies, and (4) Claimants did not sustain any damages as a result of the actions taken by Respondent.

RELIEF REQUESTED

Claimants requested compensatory damages in an amount not less than \$30,000.00.

Respondent requested Claimants' claim be denied in its entirety or, in the alternative, should any damages be found that Claimants' claim be limited to \$6,250.00.

AWARD

That the parties have agreed that the panel may execute a handwritten copy of its award and that the parties agreed to receive a conformed copy of the award while the original remains on file at the NASD.

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

1. That Respondent is liable to the Claimants and shall pay to the Claimants the sum of Five Thousand and 00/100 Dollars (\$5,000.00); exclusive of interest.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

That Respondent are directed to refund to the Claimants their hearing session deposit of \$400.00 and that Respondent shall pay to the National Association of Securities Dealers, Inc. \$400.00 to cover the remaining hearing session fee.

Fees are payable to the National Association of Securities Dealers, Inc.

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Concurring Arbitrators' Signatures:

_____/s/_____
Roger E. Lautzenhiser, Esq.
Public Arbitrator

_____/s/_____
Sherman S. Cohen, Esq.
Public Arbitrator

_____/s/_____
Bruce Avedon
Industry Arbitrator

Date of Decision: August 7, 1991