

**Award**  
**NASD Regulation, Inc.**

---

In the Matter of the Arbitration Between:

Christopher H. Meakin, (Claimant) vs. Charles Schwab & Co., (Respondent).

Case Number: 99-02554

Hearing Site: Houston, Texas

---

**REPRESENTATION OF PARTIES**

Claimant, Christopher H. Meakin, hereinafter referred to as "Claimant": pro se, Austin, Texas.

Respondent, Charles Schwab & Co., hereinafter referred to as "Respondent": Sean B. Meehan, Esq., Charles Schwab & Co., San Francisco, California.

**CASE INFORMATION**

Statement of Claim filed on or about: June 3, 1999

Amended Statement of Claim filed on or about: September 7, 1999

Claimant signed the Uniform Submission Agreement: May 18, 1999

*Statement of Answer filed by Respondent on or about:* August 17, 1999

Respondent signed the Uniform Submission Agreement: July 12, 1999

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract, including the covenant of good faith and fair dealings; fraud; negligent misrepresentation; and violations of the Texas Deceptive Trade Practice - Consumer Protection Act. The causes of action related to the alleged failure to execute orders to buy and sell shares of Princeline.com on May 14, 1999.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Respondent's decision to cancel the disputed Princeline.com buy order was entirely appropriate, and could not serve as proper basis for damages; the damages claim was entirely speculative, based on 20-20 hindsight of the price performance of Princeline.com on a particular date; and the damages calculation ignored Claimant's obligation to mitigate his losses, which could have been

accomplished by placing a buy order for the maximum number of Princeline.com shares that would not have overspent the cash available in the account at the time of order entry.

### **RELIEF REQUESTED**

**Claimant requested:**

Compensatory Damages	\$10,000
Punitive Damages	unspecified
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

**Respondent requested:**

Dismissal	
Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

### **OTHER ISSUES CONSIDERED AND DECIDED**

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, Charles Schwab & Co., is liable for and shall pay to Claimant, Christopher H. Meakin, \$3,500 in actual damages plus simple interest at the rate of 10% beginning to accrue 30 days after the date of this award and continuing until paid;
2. Respondent, Charles Schwab & Co., is liable for and shall pay to Claimant, Christopher H. Meakin, \$75 in costs; and
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

### **Filing Fees**

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$75

### **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. In this matter, the member firm(s) is Charles Schwab & Co., Inc.

Member surcharge = \$300

### **Forum Fees and Assessments**

The Panel assesses forum fees for each hearing session conducted. A hearing 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:

Two (2) Pre-hearing sessions with a single arbitrator x \$250 = \$500  
Pre-hearing conferences: November 29, 1999 1 session  
January 21, 2000 1 session

Two (2) Hearing sessions x \$250 = \$500  
Hearing Dates: February 15, 2000 2 sessions

---

Total Forum Fees = \$1,000

1. The Panel has assessed \$1,000 of the forum fees to Respondent, Charles Schwab & Co.

### **Fee Summary**

1. Claimant, Christopher H. Meakin, be and hereby is solely liable for:

Initial Filing Fee = \$75

---

Total Fees = \$75

Less payments = \$325

Refund = \$250

2. Respondent, Charles Schwab & Co., be and hereby is solely liable for:

Member Fees = \$300

Forum Fees = \$1,000

---

Total Fees = \$1,300

NASD Regulation, Inc., Office of Dispute Resolution  
Award - Case No. 99-02534  
Page 4 of 4

<u>Less payments</u>	<u>= \$900</u>
<u>Balance due the NASD Regulation, Inc.</u>	<u>= \$400</u>

All balances are due to NASD Regulation, Inc.

Concurring Arbitrator's Signature



Donald K. Eckhardt, Esq.  
Public Arbitrator

3/12/00  
Signature Date

Date of Service (For NASD office use only)