

N.A.S.D. REGULATION AWARD
NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

CASE: 99-02577

Charles Schwab & Co., Inc., claimant vs. Guichuan Liang, respondent.

ATTORNEYS:

For Claimant Charles Schwab & Co., Inc. ("Claimant"), Richard Karoly, Esq., Corporate Attorney, Charles Schwab & Co., Inc., San Francisco, California.

Respondent Guichuan Liang ("Respondent") appeared Pro Se., Flushing, New York.

DATE FILED: 06/04/1999

CASE SUMMARY: Claimant maintained that on November 27, 1998, Respondent purchased on margin 3,750 shares of Onsale, Inc. ("ONSL"). Claimant further alleged that ONSL significantly declined after his purchase resulting in a margin call in his account. Claimant maintained that Respondent failed to deposit additional funds and that it was forced to liquidate the Respondents account at a loss.

Respondent in its Counterclaim alleged that as a result of a series of mistakes made by the Claimant it suffered a significant amount of damages.

Claim Data

Claim: \$25,000.00
Interest: from January 1, 1999,
to the date of the award at
7.75%, amounting to \$5.57 a day
Filing Fees: \$1,450.00
Other: unspecified

Award Data

Award: \$25,000.00
Interest: at the rate of 7.75% per
annum accruing from 1/1/99 to the
date of the award
Filing Fees: \$.00
Other: \$.00

Counterclaim Data

Claim: \$500,000.00

Award Data

Award: \$.00

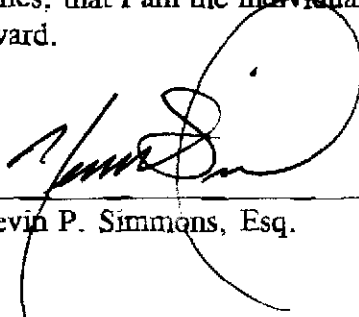
AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent is liable and shall pay to the claimant \$25,000.00. 2) Respondent is hereby liable and shall pay to Claimant interest at the rate of 7.75% accruing from January 1, 1999 to the date of the award. 3) Pursuant to Rule 10302 subsection (d) of the NASD Code of Arbitration, the arbitrator dismissed without prejudice Respondents' Counterclaim. 4) All other relief requests are denied. 5) The \$1,050.00 filing fee previously deposited with the National Association of Securities Dealers Regulation, Inc. by the Claimant, shall be retained by NASD Regulation, Inc. 6) The arbitrator waived the \$750 filing fee assessed against the Respondent for the Counterclaim filing fee.

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OTHER FEES: Pursuant to Rule 10333 of the Code, Claimant Charles Schwab & Co., Inc. has paid to NASD Regulation, Inc. the \$400.00 Member Surcharge previously invoiced.

AFFIRMATION

I, Kevin P. Simmons, do hereby affirm, pursuant to article 7507 of the Civil Practice law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Kevin P. Simmons, Esq.

March 8, 2000

Date of Award