

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

CASE: 99-02707

Olde Discount Corporation, claimant vs. Zhuoru and Guangyu Sun, respondents.

ATTORNEYS:

For Claimant Olde Discount Corporation ("Claimant"), Aaron L. Kleid, Esq., attorney for Olde Discount Corporation, Detroit, Michigan.

Respondents Zhuoru and Guangyu Sun ("Respondents"), appeared Pro Se., Eugene, Orlando.

DATE FILED: 6/14/1999

CASE SUMMARY: Claimant alleged that on August 30, 1995, Respondents sold 700 shares of C Cube Microsystem however, they failed to deliver the shares. Claimant maintained that it was forced to borrow and eventually buy back the shares and as a result, it incurred financial loss.

ARBITRATOR REPORT: The weight of the evidence supports Respondent's position that they did not submit an order to sell their shares in Cube stock through the Claimant's brokerage firm. In reaching this conclusion, I have relied on the fact that Respondents did not own the number of shares specified in the sell order and Respondents completed a sale a day later at a different brokerage firm which held the shares. Claimant failed to meet its burden of proof to establish that Respondents gave instructions to sell through the Claimant.

The provisions of the brokerage agreement regarding the binding nature of the transactions not objected to within 10 days do not require a different result. That agreement was not in effect at the time of the incident in dispute as Respondents did not have an active account with Claimant at that time. Claimant cannot unilaterally create a contract for sale of the shares. If Respondents had given instructions to sell, they would have been bound by the terms of the brokerage agreement.

Claim Data

Claim: \$3,263.50
Interest: 1,296.78
Atty Fees: unspecified
Filing Fees: \$550.00

Award Data

Award: \$.00
Interest: \$.00
Atty Fees: \$.00
Filing Fees: \$.00

Respondents request for attorney fees: unspecified

Attorney Fees: \$500.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant are dismissed in their entirety. 2) All other relief requests are hereby denied. 3) The \$525.00 filing fee previously deposited with the National Association of Securities Dealers Regulation, Inc. by the Claimant, shall be retained by NASD Regulation, Inc.

OTHER FEES: Pursuant to Rule 10333 of the Code, Claimant has paid to NASD Regulation, Inc. the \$200.00 Member Surcharge previously invoiced.

AFFIRMATION

I, Laura J. Walker, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.



Laura J. Walker

March 31, 2000

Date of award