

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Frida Alter, Individually and as Trustee of the Frida Alter Living Trust (Claimant) v.  
PaineWebber, Inc., n/k/a UBS PaineWebber, Inc., (Respondent)

Case Number: 00-00718

Hearing Site: Chicago, Illinois

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**REPRESENTATION OF PARTIES**

Claimant Frida Alter, Individually and as Trustee of the Frida Alter Living Trust  
("Alter"): Steven J. Rotunno, Esq., Kubasiak, Cremieux, Frylstra, Reizen, & Rotunno,  
Chicago, Illinois.

Respondent PaineWebber, Inc., n/k/a UBS PaineWebber, Inc. ("PaineWebber"): William  
McC.Montgomery, Esq., Legal Department of PaineWebber, Inc., Los Angeles,  
California

**CASE INFORMATION**

Statement of Claim filed on or about: February 17, 2000  
Claimant Alter signed the Uniform Submission Agreement: February 15, 2000  
Reply to Respondent PaineWebber's Affirmative Defenses: May 10, 2000

Statement of Answer filed by Respondent PaineWebber on or about: April 24, 2000  
Respondent PaineWebber signed the Uniform Submission Agreement: April 18, 2000

**CASE SUMMARY**

Claimant Frida Alter asserted the following causes of action: Negligence and Breach of  
Fiduciary Duty.

The causes of action relate to the management of her account and the execution of the  
General Electric stock.

Unless specifically admitted in its Answer, Respondents PaineWebber, Inc., n/k/a UBS  
PaineWebber, Inc. denied the allegations made in the Statement of Claim and asserted the  
following defenses: Failure to State a Claim Upon which Relief May be Granted;

Ratification; Waiver; Estoppel; Failure to Exercise Due Diligence; Failure to Mitigate; and  
Contributory Negligence.

### **RELIEF REQUESTED**

Claimant Frida Alter requested:

Compensatory Damages	\$220,301.85
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	relief panel deems appropriate

Respondent PaineWebber, Inc., n/k/a UBS PaineWebber, Inc. requested:

Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	Denial of Claim and relief panel deems appropriate

### **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. Any and all claims asserted by Claimant Frida Alter, Individually and as Trustee of Frida Alter Living Trust against PaineWebber, Inc., n/k/a UBS PaineWebber, Inc. are denied and dismissed with prejudice
2. Any and all costs incurred shall be paid by the party incurring them.
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 Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$300.00
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#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$600.00
Hearing process fee	= \$2,500.00
Total Member Fees	= \$4,600.00

#### Forum Fees and Assessments

The panel has the authority to assess forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450.00	= \$ 450.00
Pre-hearing conference: May 02, 2001 1 session	
One (1) Pre-hearing session with Panel x \$1,125.00	= \$1,125.00
Pre-hearing conference: January 17, 2001 1 session	
Four (4) Hearing sessions x \$1,125.00	= \$4,500.00
Hearing Dates: June 05, 2001 2 sessions	
June 06, 2001 2 sessions	
Total Forum Fees	= \$6,075.00

1. The panel has assessed \$3,037.50 of the forum fees to Claimant Frida Alter Trust.
2. The panel has assessed \$3,037.50 of the forum fees to Respondent PaineWebber, Inc.

#### Fee Summary

1. Claimant Frida Alter Trust is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,037.50
Total Fees	= \$ 3,337.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,612.50

2. Respondent PaineWebber, Inc., n/k/a UBS PaineWebber, Inc. is solely liable for:

Member Fees	= \$ 4,600.00
Forum Fees	= \$ 3,037.50
Total Fees	= \$ 7,637.50
Less payments	= \$ 2,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 5,537.50

All balances are due to NASD Dispute Resolution, Inc.

**ARBITRATION PANEL**

Ruth Hannenberg, Esq.	-	Non-Public Arbitrator, Presiding Chair
Robert L. Nichols, Sr.	-	Public Arbitrator
Gus E. Glick	-	Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/ Ruth Hannenberg

06/26/01

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Ruth Hannenberg, Esq.  
Non-Public Arbitrator, Presiding Chair

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Signature Date

/s/ Robert L. Nichols

06/22/01

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Robert L. Nichols, Sr.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

/s/ Gus E. Glick

06/28/01

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Gus E. Glick  
Public Arbitrator

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Signature Date

06/29/01

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Date of Service (For NASD-Dispute Resolution office use only)

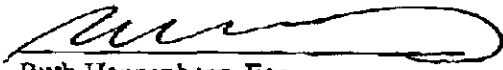
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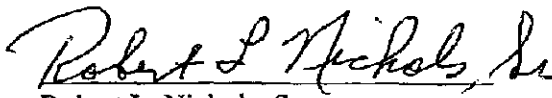
ARBITRATION PANEL

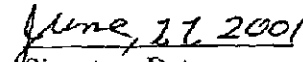
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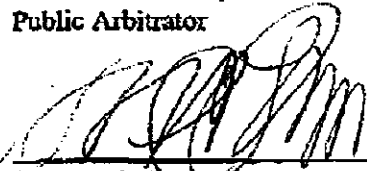
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