

STIPULATED AWARD
NASD Dispute Resolution, Inc.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between

UBS/PAINWEBBER INC.,

Claimant,

**NASD Case No.
01-02550**

and

DAVID W. JACK,

Respondent.

-----X

REPRESENTATION OF PARTIES

Claimant, UBS/PaineWebber Inc., hereinafter referred to as "Claimant": Lisa A. Catalano of the law firm of Davidson, Manchel & Brennan, LLP in New York, New Jersey and Massachusetts.

Respondent, David W. Jack, hereinafter referred to as "Respondent": Theresa A. Markham of the law firm of Emmons & Markham in New Jersey.

CASE INFORMATION

The Statement of Claim was dated May 14, 2001.
Claimant's submission agreement was dated February 22, 2001.
Respondent's Answer was dated July 20, 2001.
Respondent's submission agreement was dated July 17, 2001.
The Stipulated Award was filed June 10, 2002.

CASE SUMMARY

Claimant sought to recover \$207,423.27 representing the defaulted balance of two promissory notes, # 0254 dated January 9, 1998 and #0966 dated March 17, 1999, due and owing upon Respondent's resignation in October 1999.

RELIEF REQUESTED

UBS PaineWebber requested the following damages:	\$209,423.27
Interest	\$ through date of the award
Attorneys' Fees	\$ through date of the award
Costs	\$ through date of the award

OTHER ISSUES CONSIDERED AND DECIDED

Claimant and Respondent agreed to enter a Stipulation of Award as detailed below. This Stipulation of Award is being submitted to the panel for its consideration.

The parties have agree that the Stipulated Award in this matter by be executed in counterpart copies.

AWARD

On June 3, 2002, the parties entered an agreement to present to the panel a Stipulated Award (Exhibit "A"). Now, in lieu of a full hearing and upon stipulation by both parties for an entry of an award, the written stipulation thereto, the panel hereby enters this award granting the following relief:

- 1) Respondent shall pay to Claimant the sum of One Hundred Sixty Two Thousand and Five Hundred Dollars and no cents (\$162,500.00).
- 2) The parties agree that no execution on this Award shall occur and the Award shall be deemed satisfied, provided that Respondent makes the following payments in immediately available lawful money of the United States:
 - (a) the first payment of principal in the amount of Twelve Thousand Five Hundred Dollars (\$12,500.00) shall be due on or before June 7, 2002.
 - (b) The balance of One Hundred and Fifty Thousand Dollars (\$150,000.00) shall be payable in forty eight (48) equal monthly consecutive installments of Three Thousand One Hundred and Twenty Five Dollars (\$3,125.00) commencing on or before July 1, 2002 and payable the first of each month thereafter.

3) In the event Respondent fails to make payment of any installment, if any, or any part thereof under this paragraph 2 within ten (10) days after the due date of any installment (an "Event of Default"), the sum of Two Hundred and Thirty Three Thousand Dollars and no cents (\$233,000.00) (inclusive of interest), less any payments previously received by Claimant hereunder, shall at once be due and payable to UBS/PaineWebber minus any payments made by Respondent pursuant to paragraph 2 herein.

4) In the event of an Event of Default, or other default by Respondent of any terms of this Agreement, in any manner whatsoever, a Stipulation to Confirm Arbitration Award and Entry of Judgment in the amount of Two Hundred and Thirty Three Thousand Dollars (\$233,000.00), less any payments already made by Respondent, will be filed with the New Jersey Superior Court or any other court of competent jurisdiction. The Stipulation is annexed hereto as Exhibit "B".

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	= \$ 1,000.00
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Adjournment Fees

Adjournment requested during these proceedings:

February 19, 20 & 21, 2002, adjournment by David W. Jack	= \$1,125.00
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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(s) at the time of the events giving rise to the dispute. In this matter, the member firm UBS/PaineWebber, Inc. is a party.

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 2,500.00
Total Member Fees	= \$ 4,600.00

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 arbitrators, that lasts four (4) hours or less. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00	= \$ 1,125.00
Pre-hearing conference: November 5, 2001 1 session	
<u>Total Forum Fees</u>	<u>= \$ 1,125.00</u>

1. The Panel has assessed \$562.50 of the forum fees against Claimant.
2. The Panel has assessed \$562.50 of the forum fees against Respondent.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 4,600.00
<u>Forum Fees</u>	<u>= \$ 562.50</u>
Total Fees	= \$ 6,162.50
<u>Less payments</u>	<u>= \$ 7,325.00</u>
Refund Due Claimant	= \$ 1,162.50

2. Respondent be and hereby is solely liable for:

Forum Fees	= \$ 562.50
<u>Adjournment Fee</u>	<u>= \$ 1,125.00</u>
Total Fees	= \$ 1,687.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,687.50

All balances are due and payable to NASD Dispute Resolution, Inc.


ARBITRATION PANEL

James J. Fishman
Ernest Fanwick
Sandra J. Kiss

Public Arbitrator, Presiding Chair
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signatures:

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rule, that I am the individual described herein and who executed this instrument, which is my award.


James J. Fishman
Presiding Chair, Public Arbitrator

22 June 2002
Signature Date

Ernest Fanwick
Public Arbitrator/ Panelist

Signature Date

Sandra J. Kiss
Industry Arbitrator/ Panelist

Signature Date

July 18, 2002
Date of Service (For NASD office use only)

ARBITRATION PANEL

James J. Fishman
Ernest Fanwick
Sandra Lin J. Kiss

Public Arbitrator, Presiding Chair
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signatures:

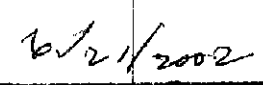
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James J. Fishman
Presiding Chair, Public Arbitrator

Signature Date



Ernest Fanwick
Public Arbitrator/ Panelist



Signature Date

Sandra Lin J. Kiss
Industry Arbitrator/ Panelist

Signature Date

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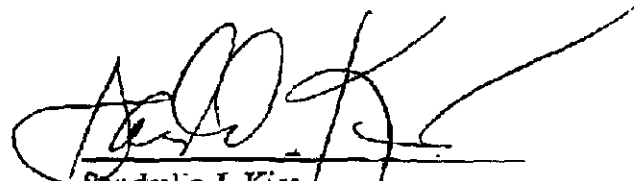
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James J. Fishman
Presiding Chair, Public Arbitrator

Signature Date

Ernest Fanwick
Public Arbitrator/ Panelist

Signature Date



Sandra Lin J. Kiss
Industry Arbitrator/ Panelist

6/21/02

Signature Date

July 18, 2002
Date of Service (For NASD office use only)

EXHIBIT "A"

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

UBS/PAINWEBBER INC,

Claimant,

vs.

DAVID W. JACK,

Respondent.

NASD Case No.
01-02550

**STIPULATION OF CLAIMANT AND RESPONDENT
TO ENTRY OF ARBITRATION AWARD**

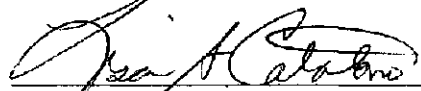
Claimant, UBS/PaineWebber Inc. ("UBS/PaineWebber"), and Respondent, David Jack ("Jack"), hereby stipulate and agree that the arbitration panel appointed in this matter may enter an award in this case in favor of UBS/PaineWebber and against Jack in the amount of \$162,500.00. Respondent further stipulates and agrees to waive all rights of appeal and review that he may have under the Code of Arbitration Procedure and applicable state and federal law.

Respectively submitted,

Dated: June 3, 2002

UBS/PAINWEBBER INC.,

By its counsel,



Lisa A. Catalano, Esq.

DAVID JACK

By his counsel,



Theresa Markham, Esq.

EXHIBIT "B"

Attorney(s): Lisa A. Catalano
Office Address & Tel. No. Davidson, Manchel & Brennan
207 Washington Street
Northvale, New Jersey 07647
(201) 802-9000

Attorney(s) for UBS PAINEWEBBER INC.

UBS PaineWebber Inc.,

Plaintiff,

vs.

David W. Jack,

Defendant

*SUPERIOR COURT OF
NEW JERSEY
LAW DIVISION
BERGEN COUNTY*

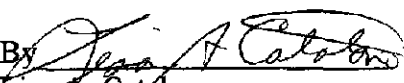
Docket No. BER-L- _____

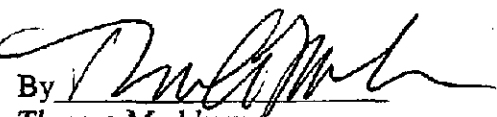
CIVIL ACTION

*STIPULATION TO
CONFIRM ARBITRATION
AWARD AND ENTRY OF
JUDGMENT*

It is hereby stipulated and agreed by and between Plaintiff, UBS/PaineWebber Inc. ("UBS/PaineWebber"), and Defendant, David W. Jack ("Jack"), that the arbitration award annexed hereto as Exhibit "A" hereby be confirmed and judgment be entered against Defendant and in favor of Plaintiff in the amount of Two Hundred Thirty Three Thousand Dollars (\$233,000.00), inclusive of interest, less any installments made by Defendant pursuant to Promissory Note dated June 3, 2002 annexed hereto as Exhibit "B".

Dated: June 3, 2002

By 
Lisa A. Catalano
Attorney for Plaintiff

By 
Theresa Markham
Attorney for Defendant