

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

UBS PaineWebber Inc., (Claimant) vs. Douglas F. Joyce, (Respondent)

Case Number: 01-03259

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, UBS PaineWebber, Inc., hereinafter referred to as "Claimant": Thomas G. Draths, Esq., Schuyler, Roche & Zwirner, Chicago, IL.

Respondent, Douglas F. Joyce, hereinafter referred to as "Respondent", appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: June 18, 2001.

Claimant signed the Uniform Submission Agreement: June 18, 2001.

Respondent did not file a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract and failure to repay balance of Promissory Note ("the Note").

RELIEF REQUESTED

Claimant requested:

- a. Compensatory damages in the amount of \$1,971,862.01, plus interest, as provided under the Note;
- b. All costs and expenses incurred in connection with this action, including reasonable attorneys' fees; and
- c. Such other and further relief as the Panel deems just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure and, having appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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 be and hereby is liable for and shall pay to Claimant the sum of \$1,971,862.00 as compensatory damages, plus interest accrued up to the date of the hearing in the amount of \$211,939.93, and post-judgment interest at the rate of 7% accruing from July 25, 2002 until paid.
2. Respondent be and hereby is liable for and shall pay to Claimant the sum of \$34,315.00 as attorneys' fees. The Panel awarded attorneys' fees pursuant to the terms of the Promissory Note signed by Respondent.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

| | |
|--------------------------|--------------|
| Initial claim filing fee | = \$2,000.00 |
|--------------------------|--------------|

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, UBS PaineWebber Inc. is a party.

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

Adjournment Fees

Adjournments requested during these proceedings:

April 10, 2002, adjournment by Claimant = WAIVED

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 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 Panel x \$1,200.00 | = \$1,200.00 |
| Pre-hearing conference: February 5, 2002 1 session | |
| One (1) Hearing session x \$1,200.00 | = \$1,200.00 |
| Hearing Date: July 25, 2002 1 session | |
| Total Forum Fees | = \$2,400.00 |

1. The Panel has assessed \$1,200.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,200.00 of the forum fees against Respondent.

Fee Summary

1. Claimant be and hereby is solely liable for:

| | |
|-------------------------------------|---------------|
| Initial Filing Fee | = \$ 2,000.00 |
| Member Fees | = \$ 7,600.00 |
| Forum Fees | = \$ 1,200.00 |
| Total Fees | = \$10,800.00 |
| Less payments | = \$ 9,600.00 |
| Balance Due NASD Dispute Resolution | = \$ 1,200.00 |

2. Respondent be and hereby is solely liable for:

| | |
|--|---------------|
| <u>Forum Fees</u> | = \$ 1,200.00 |
| <u>Total Fees</u> | = \$ 1,200.00 |
| <u>Less payments</u> | = \$ 0.00 |
| <u>Balance Due NASD Dispute Resolution</u> | = \$ 1,200.00 |

All balances are payable to NASD Dispute Resolution, and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

| | | |
|-------------------------|---|--|
| Russell E. Brooks, Esq. | - | Non-Public Arbitrator, Presiding Chair |
| William Wong | - | Non-Public Arbitrator |
| Michael A. Knoll, Esq. | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

Russell E. Brooks, Esq.
Non-Public Arbitrator, Presiding Chair

Signature Date

William Wong
Non- Public Arbitrator

Signature Date

Michael A. Knoll, Esq.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

| | | |
|-------------------------|---|--|
| Russell E. Brooks, Esq. | - | Non-Public Arbitrator, Presiding Chair |
| William Wong | - | Non-Public Arbitrator |
| Michael A. Knoll, Esq. | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7501 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Russell E. Brooks, Esq.
Non-Public Arbitrator, Presiding Chair

Signature Date

William Wong
Non-Public Arbitrator

Signature Date


Michael A. Knoll, Esq.
Non-Public Arbitrator

Signature Date

August 30, 2002
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

| | | |
|-------------------------|---|--|
| Russell E. Brooks, Esq. | - | Non-Public Arbitrator, Presiding Chair |
| William Wong | - | Non-Public Arbitrator |
| Michael A. Knoll, Esq. | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

Russell E. Brooks, Esq.
Non-Public Arbitrator, Presiding Chair

Signature Date



William Wong
Non-Public Arbitrator

Signature Date

Michael A. Knoll, Esq.
Non-Public Arbitrator

Signature Date

August 30, 2002

Date of Service (For NASD Dispute Resolution use only)