
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Miriam S. Korfhage

Case Number: 02-06621

Names of the Respondents
UBS Financial Services, Inc.
Joey S. Stone

Hearing Site: Tampa, Florida

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Miriam S. Korfhage, hereinafter referred to as "Claimant": S. David Anton, Esq., Law Offices of S. David Anton, P.A., Tampa, FL.

For UBS Financial Services, Inc. ("UBS"), hereinafter referred to as "Respondent": George C. Freeman, Esq., Barrasso Usdin Kupperman Freeman & Sarver, L.L.C., New Orleans, LA.

Joey S. Stone ("Stone") did not appear in this matter.

CASE INFORMATION

Statement of Claim filed on or about: November 4, 2002.

Claimant signed the Uniform Submission Agreement: November 1, 2002.

Statement of Answer filed by Respondent UBS on or about: January 24, 2003.

Respondent UBS signed the Uniform Submission Agreement: February 4, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: violations of the Florida Securities and Investor Protection Act, Florida Statutes Chapter 517; Federal securities fraud; breach of contract; breach of fiduciary duty; common law fraud; negligence; gross negligence; violations of Florida and Federal RICO; churning; and, unsuitability. The causes of action relate to the purchase of numerous securities in Claimant's account including NetGuru, Inc., Kafus Industries, En Pointe Technology, and Interdigital Communications Corp. stock.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$1,214,487.00 plus pre-judgment interest, costs, attorneys' fees pursuant to Florida Statutes section 517.211(b), punitive damages, and such other relief as the undersigned arbitrators (the "Panel") found appropriate under the circumstances.

Respondent requested dismissal of the Statement of Claim, that all fees and costs be assessed against Claimant, attorneys' fees, and such other and further relief as is deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Joey S. Stone was named as a Respondent in the Statement of Claim in this matter. On or about December 4, 2002, NASD Dispute Resolution was informed that Mr. Stone filed for protection under Chapter 7 of the United States Bankruptcy Code. Accordingly, the arbitration was stayed with respect to Mr. Stone and the Panel made no determinations with respect to him.

The parties 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, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent UBS is liable for negligence and shall pay to Claimant compensatory damages in the sum of \$451,339.58 plus interest at the rate of 6% per annum accruing from the date of the Award until the date of payment of the Award.

Respondent UBS is liable and shall pay to Claimant costs in the sum of \$21,315.47. This amount includes all costs and expert witness fees.

Respondent UBS is liable and shall pay to Claimant the sum of \$500.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Claimant's claims for relief pursuant to the Florida Securities and Investor Protection Act, Florida Statutes Chapter 517, are dismissed, with prejudice.

Any and all claims for relief not specifically addressed herein, including Claimant's claims for punitive damages and the parties' respective requests for attorneys' fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 500.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent UBS is a member firm and a party.

Member surcharge	= \$2,800.00
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Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$5,000.00</u>
Total Member Fees	= \$8,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournments were granted during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were assessed during these proceedings.

Forum Fees and Assessments

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

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences: July 17, 2003	1 session
December 12, 2003	1 session

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00	= \$ 2,400.00
Pre-hearing conferences: July 10, 2003	1 session
February 5, 2004	1 session

Seventeen (17) Hearing sessions @ \$1,200.00	= \$20,400.00
Hearing Dates: March 1, 2004	2 sessions
March 2, 2004	2 sessions
March 3, 2004	2 sessions
March 4, 2004	3 sessions
March 5, 2004	2 sessions
May 6, 2004	2 sessions
May 7, 2004	3 sessions
May 8, 2004	1 session

Total Forum Fees	= \$23,700.00
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The Panel has assessed the total forum fees of \$23,700.00 to Respondent UBS.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies

of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 500.00
<u>Total Fees</u>	= \$ 500.00
<u>Less payments</u>	= \$ 500.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent UBS is solely liable for:

<u>Member Fees</u>	= \$ 8,550.00
<u>Forum Fees</u>	= \$23,700.00
<u>Total Fees</u>	= \$32,250.00
<u>Less payments</u>	= \$ 8,550.00
<u>Balance Due NASD Dispute Resolution</u>	= \$23,700.00

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

ARBITRATION PANEL

John P. Cullem, Esq.	-	Public Arbitrator, Presiding Chairperson
Sanford O'Leesky	-	Public Arbitrator
James R. Boyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
John P. Cullem, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Sanford O'Leesky
Public Arbitrator

Signature Date

/s/
James R. Boyer
Non-Public Arbitrator

Signature Date

June 16, 2004
Date of Service (For NASD Dispute Resolution office use only)



NASD Dispute Resolution

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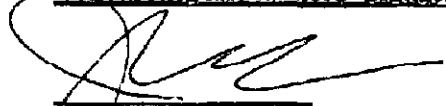
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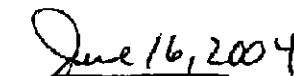
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Sanford O'Leesky	-	Public Arbitrator
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John P. Cullem, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

Sanford O'Leesky
Public Arbitrator

Signature Date

James R. Boyer
Non-Public Arbitrator

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NASD Dispute Resolution
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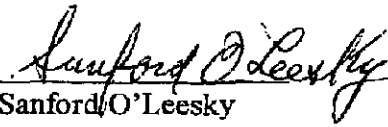
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Concurring Arbitrators' Signatures

 John P. Cullem, Esq.
 Public Arbitrator, Presiding Chairperson

 Signature Date


 Sanford O'Leesky
 Public Arbitrator

6/16/2004
 Signature Date

 James R. Boyer
 Non-Public Arbitrator

 Signature Date

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



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Concurring Arbitrators' Signatures

John P. Cullem, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Sanford O'Leesky
Public Arbitrator

Signature Date

James R. Boyer
Non-Public Arbitrator

6-16-04

Signature Date

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