

**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc., Claimant v. Jooyoon Baek,  
Respondent

Case Number: 02-06885

Hearing Site: Los Angeles, California

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Nature of the Dispute: Member v. Associated Person

**REPRESENTATION OF PARTIES**

For Claimant:

Laura Martin, Esq.  
Davidson & Grannum, LLP  
Northvale, New Jersey

For Respondent:

Jooyoon Baek  
In Propria Persona  
Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed: November 13, 2002

Claimant's Uniform Submission Agreement signed: October 11, 2002

Statement of Answer filed by Respondent: March 4, 2004

Claimant's Reply to Respondent's Statement of Answer filed: June 2, 2004

**CASE SUMMARY**

Claimant alleged breach of contract by failure to repay loan and breach of Promissory Note.

Respondent did not deny the allegations of wrongdoing set forth in Claimant's Statement of Claim. Respondent asserted affirmative defenses.

**RELIEF REQUESTED**

Claimant requested \$33,300.00 in compensatory damages, unspecified interest, and costs, including attorney's fees.

Respondent requested that the principle balance owed under the Promissory Note be reduced by \$18,000.00.

**OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Jooyoon Baek did not file with the NASD Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the Claim, is bound by the determination of the Arbitrator on all issues submitted.

On December 13, 2002, Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On August 4, 2003, Claimant filed a Motion for an Award by Default. A pre-hearing conference between the Arbitrator and parties regarding the Motion was scheduled to take place on August 17, 2004. The parties canceled the pre-hearing conference when they reached settlement.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

**AWARD**

After considering the pleadings and the parties' request for this Stipulated Award, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

1. All claims in this case are dismissed with prejudice.
2. In the event Respondent defaults under the terms of the confidential Settlement Agreement, Respondent shall be liable to Claimant for \$33,300.00, minus any sums paid to Claimant on the principle balance of the Promissory Note pursuant to the confidential Settlement Agreement.
3. In the event Respondent defaults under the terms of the confidential Settlement Agreement, Respondent shall be liable to Claimant for interest on the principle amount then due at a rate equal to the rate of interest announced from time to time by Citibank, N.A. in New York, New York, as its base rate or "prime rate" of interest on loans to responsible and substantial commercial borrowers plus 2% compounded monthly.
4. In the event Respondent defaults under the terms of the confidential Settlement Agreement, Respondent shall be liable to Claimant for all attorney's fees accrued by Claimant from date of filing of this arbitration through date of payment in full of the Promissory Note.
5. Except as specified in the Settlement Agreement, the parties shall bear their respective costs and expenses, including attorney's fees.
6. All other relief requested and not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

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

Initial Claim Filing Fee	= \$ 1,000.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm UBS Financial Services Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 1,000.00
<b>Total Member Fees</b>	<b>= \$ 2,625.00</b>

#### **Forum Fees and Assessments**

The Arbitrator assessed a forum fee for each pre-hearing conference conducted. A pre-hearing conference is any meeting between the parties and the Arbitrator. The following fees are assessed:

One (1) Pre-hearing conference session with the Arbitrator @ \$ 450.00/session	= \$ 450.00
<u>Pre-hearing conference: June 29, 2004 1 session</u>	
<b>Total Forum Fees</b>	<b>= \$ 450.00</b>

The Arbitrator assessed the entire balance of the forum fees, in the amount of \$450.00, to Claimant.

### **FEE SUMMARY**

Claimant UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,625.00
<u>Forum Fees</u>	= \$ 450.00
<b>Total Fees</b>	<b>= \$ 4,075.00</b>
<u>Less payments</u>	<u>= \$(4,075.00)</u>
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

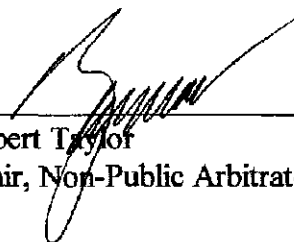
All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

*Robert Taylor*

*Non-Public Arbitrator*

**Arbitrator's Signature**

  
Robert Taylor  
Chair, Non-Public Arbitrator

11/26/04  
Signature Date

11/30/04  
Date of Service