

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

UBS Financial Services, Inc.

and

Case Number: 03-00862
Hearing Site: Houston, Texas

Name of Respondent

Mark Howell

NATURE OF DISPUTE

Member Firm v. Associated Person

REPRESENTATION OF PARTIES

UBS Financial Services, Inc. ("**Claimant**" or "**UBS Financial**") was represented by Deborah Gottlieb, Esq., of Davidson, Manchel & Brennan, LLP, of Northvale, New Jersey.

Mark Howell ("**Respondent**") of Woodlands, Texas, did not enter an appearance in this matter.

CASE INFORMATION

The Statement of Claim was filed on or about February 5, 2003.

The Submission Agreement of Claimant UBS Financial Services, Inc. was signed on or about January 22, 2003.

Respondent Howell did not file either a Submission Agreement or a Statement of Answer.

CASE SUMMARY

Claimant alleges a failure to repay a promissory note. On or about March 2000, UBS Financial Services, Inc. hired Howell as a Financial Advisor in its Houston, Texas branch office. In connection with Howell's hire, on or about March 15, 2000, UBS Financial advanced to Howell as a loan the sum of \$133,382.00. This loan was memorialized in a promissory note entitled, Promissory Note #10225 ("Note"). Note #10225 provides that if Howell's employment should terminate, whether voluntarily or involuntarily, no part of the

unpaid Principal Amount shall be forgiven. Howell resigned prior to the third forgiveness date of Note #10225. Two of the five equal, annual installments of this loan, or \$53,352.80, were forgiven. According to the Claimant, the amount of the principal outstanding on Note #10225 on the date of Howell's voluntary resignation from UBS Financial was \$80,029.20. During the time of Howell's employment, the amount of \$2,016.13 was withheld from Howell's compensation by UBS Financial for the purpose of pre-paying Howell's Note #10225 obligations. This entire amount was applied, pursuant to the Note #10225 agreement, to reduce the aggregate principal amount owed by Howell. As a result, the amount due decreased to \$78,013.07 and remains due and owing to UBS Financial.

Note #10225 further provided that should Howell default in the timely payment of any portion of the principal amount, Howell is obligated to pay interest on any such outstanding amount. Also, Note #10225 provides that should UBS Financial be required to enforce any and all provisions, Paffie is obligated to pay any and all costs and expenses, including, without limitation, reasonable attorney's fees and disbursements incurred by UBS Financial.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory	\$78,013.07
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

OTHER ISSUES CONSIDERED & DECIDED

By letter dated October 27, 2003, Claimant opted to proceed against Respondent Howell pursuant to Rule 10314(e) of the NASD Code of Arbitration Procedure ("Code").

The arbitrator determined that Respondent Howell was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent Howell is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

AWARD

The undersigned arbitrator has decided and determined in full and final resolution of the issues for determination as follows:

- 1.) Respondent, Mark Howell, is liable for and shall pay to Claimant, UBS Financial Services, Inc., the sum of \$78,013.07 in compensatory damages;
- 2.) Respondent, Mark Howell, is liable for and shall pay to Claimant, UBS Financial Services, Inc., the sum of \$6,391.98 in interest pursuant to the Promissory Note dated March 15, 2000;
- 3.) Respondent, Mark Howell, is liable for and shall pay to Claimant, UBS Financial Services, Inc., the sum of \$2,460.69 in attorney's fees pursuant to the Promissory Note dated March 15, 2000;
- 4.) Respondent, Mark Howell, is liable for and shall pay to Claimant, UBS Financial Services, Inc., the sum of \$4550.00 in costs pursuant to the Promissory Note dated March 15, 2000;
- 5.) Any relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

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 = \$1000.00

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, the member firm is UBS Financial Services, Inc.

Member surcharge = \$1100.00
Pre-hearing process fee = \$ 750.00

Hearing Processing Fee

= \$ 1700.00

Forum Fees and Assessments

The Arbitration 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 \$750.00 = \$750.00
Pre-hearing conference: September 8, 2003 1 session

Default Proceedings = \$300.00

Total Forum Fees = \$1050.00

The Arbitration Panel has assessed \$1050.00 of the forum fees to Respondent Howell.

FEE SUMMARY

Claimant, UBS Financial Services, Inc., is liable for:

Initial Filing Fee	= \$ 1000.00
Member Fees	= \$ 2450.00
Total Fees	= \$ 4550.00
Less payments	= \$ 5300.00
Refund Due from NASD Dispute Resolution	= \$ 750.00

Respondent, Mark Howell, is liable for:

Forum Fees	= \$ 1050.00
Total Fees	= \$ 1050.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1050.00

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

ARBITRATOR

Dolores Martin – Industry Arbitrator, Presiding Chair

Arbitrator:

/s/ Dolores Martin
Dolores Martin
Industry Arbitrator, Presiding Chair

February 26, 2004
Signature Date

February 27, 2004
Date of Service (For NASD office use only)