
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 03-01278

Clarence Donald Schulze, IRA
Clarence Donald Schulze
Constance R. Schulze Ten Comm
Clarence Donald Schulze
Constance R. Schulze JTCOM

Names of the Respondents

Hearing Site: Boca Raton, FL

Janney Montgomery Scott
UBS/PaineWebber, Inc.
Michael Gomberg

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

REPRESENTATION OF PARTIES

For Clarence Donald Schulze, IRA, Clarence Donald Schulze and Constance R. Schulze Ten Comm, and Clarence Donald Schulze and Constance R. Schulze JTCOM, hereinafter collectively referred to as "Claimants": Scott L. Silver, Esq., Blum Silver & Schwartz LLP, Coral Springs, FL.

For Respondent Janney Montgomery Scott ("JMS"): Carrie L. Chelko, Vice President-Legal Department, JMS, Philadelphia, PA.

For Respondent UBS/PaineWebber, Inc. ("UBS"): Richard L. Martens, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, FL.

For Respondent Michael Gomberg ("Gomberg"): Garry W. O'Donnell, Esq., Adorno & Yoss, P.A., Boca Raton, FL.

CASE INFORMATION

Statement of Claim filed on or about: February 21, 2003.

Claimants signed the Uniform Submission Agreement: February 11, 2003.

Statement of Answer filed by Respondent JMS on or about: May 29, 2003.

Respondent JMS signed the Uniform Submission Agreement: May 29, 2003.

Statement of Answer filed by Respondent UBS on or about: April 21, 2003.

Respondent UBS signed the Uniform Submission Agreement: March 11, 2003.

Statement of Answer filed by Respondent Gomberg on or about: April 30, 2003.

Respondent Gomberg signed the Uniform Submission Agreement: May 5, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: violations of industry rules; breach of fiduciary duty; common law fraud; and, negligence. The causes of action relate to the purchase of numerous securities products in Claimants' accounts including but not limited to the following: Applied Material; Brocade Communications; Cienna Corp.; American International Group; Citigroup; MBNA; Medtronic; Merc; and, Pfizer.

Unless specifically admitted in their Answers, Respondents JMS, UBS, and Gomberg denied all allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of approximately \$350,000.00 plus interest or reasonable market return, rescission, attorneys' fees, punitive damages, costs, and such other relief as is just and proper.

Respondent JMS requested dismissal of the Statement of Claim and that all costs of this proceeding be assessed against Claimants.

Respondents UBS and Gomberg requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 19, 2004, the parties entered into a settlement agreement in which all parties agreed that this matter would be dismissed, with prejudice, as to all claims against Michael Gomberg, that Claimants and Respondents remised, released, and forever discharged each other from and against all claims and demands which they have or may have based upon any facts or circumstances that arose or existed on or prior to the date hereof, that Claimants shall discontinue this matter, with prejudice, and that a stipulated arbitration award expunging all references to the issues raised in the arbitration from Michael Gomberg's registration records maintained by the NASD Central Registration Depository ("CRD") should be entered.

On or about February 4, 2004, the parties advised NASD Dispute Resolution that they settled this matter.

On or about July 15, 2004, the parties filed a Stipulation to Dismiss and Expunge Registered Representative's Record With Proposed Award (the "Parties' Stipulation"). In their Stipulation, the parties requested entry of an award expunging all references to the issues raised in this arbitration from Respondent Gomberg's registration records maintained by the NASD CRD.

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' Stipulation, the undersigned arbitrators (the

"Panel") have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents are dismissed, with prejudice.
2. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Gomberg's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Gomberg must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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 = \$ 300.00

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, Respondents JMS and UBS are member firms and parties.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Total Member Fees = \$5,200.00

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.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were assessed in this matter.

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 in this matter.

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:

One (1) Pre-hearing session with the Panel @ \$1,125.00 = \$1,125.00
Pre-hearing conference: December 5, 2003 1 session

Total Forum Fees = \$1,125.00

The Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.

The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

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

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less payments</u>	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent JMS is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent UBS is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 562.50
<u>Less payments</u>	= \$ 562.50
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

James W. Geiger, Esq.	-	Public Arbitrator, Presiding Chairperson
Gary M. Landau	-	Public Arbitrator
Brian E. Slotky	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
James W. Geiger, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Gary M. Landau
Public Arbitrator

Signature Date

/s/
Brian E. Slotky
Non-Public Arbitrator

Signature Date

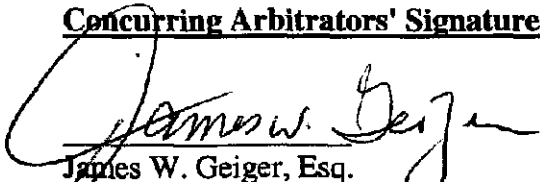
December 28, 2004
Date of Service (For NASD Dispute Resolution office use only)

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ARBITRATION PANEL

James W. Geiger, Esq.	-	Public Arbitrator, Presiding Chairperson
Gary M. Landau	-	Public Arbitrator
Brian E. Slotky	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


James W. Geiger, Esq.
Public Arbitrator, Presiding Chairperson

Dec 24, 2004
Signature Date

Gary M. Landau
Public Arbitrator

Signature Date

Brian E. Slotky
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution

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Public Arbitrator, Presiding Chairperson

Gary M. Landau

-

Public Arbitrator

Brian E. Slotky

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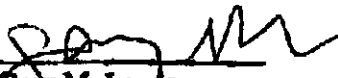
Non-Public Arbitrator

Concurring Arbitrators' Signatures

James W. Geiger, Esq.

Signature Date

Public Arbitrator, Presiding Chairperson



Gary M. Landau
Public Arbitrator12/23/04
Signature Date

Brian E. Slotky

Signature Date

Non-Public Arbitrator

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

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NASD Dispute Resolution

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- Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures

James W. Geiger, Esq.

Public Arbitrator, Presiding Chairperson

Signature Date

Gary M. Landau

Public Arbitrator

Signature Date
Brian E. Slotky

Non-Public Arbitrator

12/23/04
Signature DateDate of Service (For NASD Dispute Resolution office use only)