

**AWARD
NASD DISPUTE RESOLUTION**

In the Matter of the Arbitration Between:

UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. (Claimant) vs. Kristin Fernandez-Chase (Respondent)

Case Number: 03-01792

SITUS: Albany, New York

NATURE OF DISPUTE: Member v. Associated Person.

REPRESENTATION OF PARTIES

UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. ("UBS") hereinafter referred to as "Claimant": Laura Martin, Esq., Davidson & Grannum, LLP, Northvale, NJ. Previously represented by: Lisa A. Catalano, Esq., Davidson, Manchel & Brennan, LLP, Northvale, NJ.

Respondent did not enter an appearance in this matter.

DATE FILED: March 11, 2003.

CASE SUMMARY: Claimant alleged that Respondent failed to repay the unforgiven and outstanding principal amount of an employee forgivable loan.

Claim Data

Claim: \$39,461.69
Interest: From 1/31/02 -
2/28/03, or \$2,914.76
plus interest
accrued hereafter through

Attorney's Fees: Unspecified
Costs: Unspecified

Other: Unspecified

Award Data

Award: \$39,461.69
Interest: Prime Rate plus 2%,
compounded monthly
from February 28,
2003, until payment
of the award

Attorney's Fees: \$2,243.19
Costs: \$1,300.00 as
reimbursement of
filing and forum fee
Other: \$0.00

OTHER ISSUES:

By letter dated February 23, 2004, Claimant opted to proceed against Respondent Kristin Fernandez-Chase pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that Respondent Kristin Fernandez-Chase was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent Kristin Fernandez-Chase 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 submitted for determination as follows: 1) Respondent is liable for and shall pay to Claimant \$39,461.69 as compensatory damages. 2) Respondent is liable for and shall pay to Claimant interest at the Prime Rate plus 2% to be compounded monthly from February 28, 2003, until payment of the award. 3) Respondent is liable for and shall pay to Claimant \$2,243.19 as attorney's fees pursuant to the contract for the employee forgivable loan. 4) Respondent is liable for and shall pay to Claimant \$1,300.00 to reimburse Claimant for the filing and forum fee previously paid to NASD Dispute Resolution. 5) All other relief requests are denied.

FORUM FEES:

The \$1,300.00 filing and forum fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

Member Fees

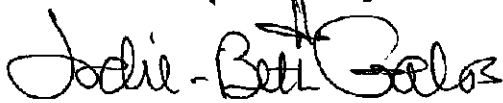
Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. is a party.

| | |
|-------------------------|------------|
| Member surcharge | = \$875.00 |
| Pre-hearing process fee | = \$750.00 |

ARBITRATOR

H.
Jodie-Beth N. Galos, Esq.

Sole Non-Public Arbitrator

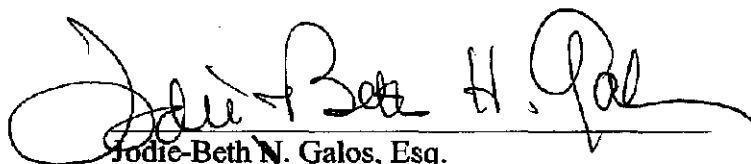


Jodie-Beth N. Galos, Esq.

6-20-04

Signature Date

H.
I, Jodie-Beth N. Galos, Esq., 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 is which is my award.



Jodie-Beth N. Galos, Esq.

H.

June 28, 2004

Date of Service (For NASD-DR office use only)