

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Penelope Jill True, Claimant v. UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc. and
Donald M. Fuhrer, Respondents

Case Number: 03-01829

Hearing Site: Los Angeles, California

Nature of Dispute: Customer v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Nancy K. Udem, Esq.
Law Offices of Nancy Udem
Montecieto, California

For Respondents:

Robert H. Logan, Esq.
Melanie L. Ronen, Esq.
Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed: March 11, 2003

Claimant's Uniform Submission Agreement signed: September 12, 2002.

Joint Statement of Answer filed by Respondents: June 6, 2003

Respondent UBS Financial Services Inc. f/k/a UBS Paine Webber Inc.'s Uniform Submission
Agreement signed: July 24, 2003

Respondent Donald M. Fuhrer's Uniform Submission Agreement signed: July 28, 2003

CASE SUMMARY

Claimant alleged breach of fiduciary duty, misrepresentations, omissions, churning and suitability involving the purchase of various bond funds and the sale of Primus Knowledge Solution stock.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$1,500,000.00 and interest.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, costs and expenses. Respondents further requested the expungement of all reference to the above captioned Arbitration from Respondent Donald Fuhrer's registration records maintained by the NASD Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

On May 22, 2003, Claimant and 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.

On July 8, 2003, Respondents UBS Financial Services Inc. f/k/a UBS Paine Webber Inc. and Donald Fuhrer'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.

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

STIPULATION

It is hereby stipulated by Claimant and the individual Respondents, by and through their undersigned attorneys of record, that:

- 1) Claimant has entered into a confidential settlement agreement with all Respondents. All of Claimant's claims asserted against the Respondents are hereby dismissed with prejudice.
- 2) Claimant does not object to the panel rendering the following award:

AWARD

After considering the Stipulation of the parties and subject to the terms of the confidential settlement agreement, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) All Claimant's claims against Respondents are dismissed with prejudice.
- 2) Pursuant to the terms of the stipulation and settlement, the Panel recommends the expungement of all reference to the above captioned Arbitration from Respondent Donald M. Fuhrer's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Donald M. Fuhrer must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) 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	= \$ 500.00
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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. f/k/a UBS Paine Webber Inc. is a party and the following fees are assessed:

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$5,000.00
Total Member Fees	= \$8,550.00

Forum Fees and Assessments

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

(1) Pre-hearing conference session with the Chair @ \$450.00/session	= \$ 450.00
Pre-hearing conference: Janaury 9, 2004	1 session

(1) Pre-hearing conference sessions with the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: September 18, 2003	1 session

Total Forum Fees	= \$ 1,650.00
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1. The Panel assessed \$825.00 of the forum fees to Claimant Penelope Jill True.
2. The Panel assessed \$825.00 of the forum fees jointly and severally to Respondents UBS Financial Services Inc. f/k/a UBS Paine Webber Inc. and Donald M. Fuhrer.

Fee Summary

1. Claimant Penelope Jill True is charged with the following fees and costs:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	= \$ 825.00
Total Fees	= \$ 1,325.00
<u>Less payments</u>	= \$(1,700.00)
Refund Due Claimant	= \$ (375.00)

2. Respondent UBS Financial Services Inc. f/k/a UBS Paine Webber Inc. is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
<u>Less payments</u>	= \$(8,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents UBS Financial Services Inc. f/k/a UBS Paine Webber Inc. and Donald M. Fuhrer are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 825.00
Balance Due NASD Dispute Resolution	= \$ 825.00

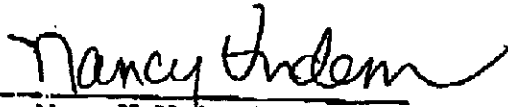
All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

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Arbitration No. 03-01829
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Parties' Signatures

Dated: 2/11/04

LAW OFFICES OF NANCY K. UNDEM



Nancy K. Undem, Esq.
Attorney for Claimants

KEESAL, YOUNG & LOGAN

Dated: _____

Robert H. Logan, Esq.
Melanie L. Ronen, Esq.
Attorneys for Respondents

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Award Page 6 of 7

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LAW OFFICES OF NANCY K. UNDEM

Dated: _____

Nancy K. Undem, Esq.
Attorney for Claimants

KEESAL, YOUNG & LOGAN

Dated: 2/9/04

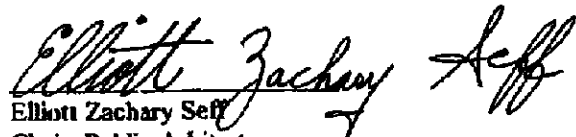


Robert H. Logan, Esq.
Melanie L. Ronen, Esq.
Attorneys for Respondents

ARBITRATION PANEL

Elliott Zachary Seff	-	Public Arbitrator, Presiding Chair
Ian M. Grant	-	Public Arbitrator
Kenneth R. Hyman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Elliott Zachary Seff
Chair, Public Arbitrator

February 17, 2004
Signature Date

Ian M. Grant
Public Arbitrator

Signature Date

Kenneth R. Hyman
Non-Public Arbitrator

Signature Date

February 17, 2004
Date of Service

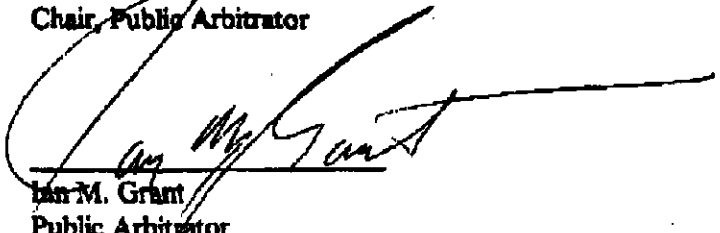
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Ian M. Grant	-	Public Arbitrator
Kenneth R. Hyman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Elliott Zachary Seff
Chair, Public Arbitrator

Signature Date



Ian M. Grant
Public Arbitrator

2-14-04

Signature Date

Kenneth R. Hyman
Non-Public Arbitrator

Signature Date

February 17, 2004

Date of Service

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Ian M. Grant	-	Public Arbitrator
Kenneth R. Hyman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Elliott Zachary Seff
Chair, Public Arbitrator

Signature Date

Ian M. Grant
Public Arbitrator

Signature Date



Kenneth R. Hyman
Non-Public Arbitrator

2/13/04

Signature Date

February 17, 2004

Date of Service