

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Nelson J. Fitzpatrick (Claimant) v. UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc.
and Christopher Grennon (Respondents)

Case Number: 03-02132

Hearing Site: Boston, Massachusetts

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

REPRESENTATION OF PARTIES

Claimant Nelson J. Fitzpatrick ("Fitzpatrick") hereinafter referred to as "Claimant": Richard M. Gelb, Esq. and Daniel C. Hohler, Esq., Gelb & Gelb, LLP, Boston, MA.

Respondents UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. ("UBS") and Christopher Grennon ("Grennon") hereinafter collectively referred to as "Respondents": David L. Becker, Esq. and Jeffrey P. Newman, Esq., Davidson, Manchel & Brennan, LLP, Northvale, NJ.

CASE INFORMATION

Statement of Claim filed on or about: March 24, 2003.

Claimant signed the Uniform Submission Agreement: March 11, 2003.

Joint Statement of Answer filed by Respondents on or about: June 17, 2003.

Respondent UBS did not sign the Uniform Submission Agreement.

Respondent Grennon did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability; breach of fiduciary duty; breach of contract; negligence; misrepresentation; and failure to supervise. The causes of action relate to the purchase of internet and high-technology stocks including, but not limited to, CMGI, Internet Capital Group, JDS Uniphase, Kana, Pacifica Century Cyberworks, and Silknet Software.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$628,588.36; punitive damages;

interests and costs, including reasonable attorneys' fees.

Respondents requested that the Claimant's Statement of Claim be dismissed in its entirety and Claimant's demand for damages be denied; that costs and expenses be assessed against Claimant; and such other and further relief as the arbitration panel deems appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

The parties have entered into a confidential settlement agreement and Respondents are dismissed from this matter with prejudice.

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

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. Claimant's claims are dismissed in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Christopher Grennon's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Grennon must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 = \$ 375.00

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, UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. is a party.

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Adjournment Fees

The following adjournment fees are assessed:

April 13-16, 2004, joint adjournment request = Waived

Forum Fees and Assessments

The 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$1,200.00
<u>Pre-hearing conference: November 5, 2003 1 session</u>	<u></u>
Total Forum Fees	= \$1,200.00

1. The Panel has assessed \$600.00 of the forum fees against Claimant.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 975.00
<u>Less payments</u>	<u>= \$1,575.00</u>
Refund Due to Claimant	= \$ 600.00

2. Respondent UBS is solely liable for:

<u>Member Fees</u>	<u>= \$7,000.00</u>
Total Fees	= \$7,000.00

<u>Less payments</u>	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 600.00
<u>Total Fees</u>	= \$ 600.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

All balances are due and payable to NASD Dispute Resolution

Parties' Signatures



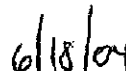
Richard Gelb, Esq.
Gelb & Gelb, LLP
20 Custom House Street
Boston, MA 02110
Attorney for Claimant



Signature Date



David L. Becker, Esq.
Davidson & Grannum, LLP
207 Washington Street
Northvale, NJ 07647
Attorney for Respondents



Signature Date

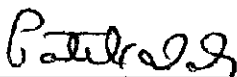
NASD Dispute Resolution, Inc.
Arbitration No. 03-02132
Award Page 6 of 6

ARBITRATION PANEL

Patrick J. Daly, Esq., Chairman
John W. Eckel, CFP
Jack A. Marshall

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signature(s)


Patrick J. Daly, Esq., Chairman
Public Arbitrator

Signature Date

John W. Eckel, CFP
Public Arbitrator

Signature Date

Jack A. Marshall
Industry Arbitrator

Signature Date

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

NASD Dispute Resolution, Inc.
Arbitration No. 03-02132
Award Page 6 of 6

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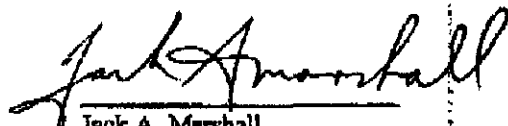
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