

**Stipulated Award  
NASD Dispute Resolution**

---

In the Matter of the Arbitration Between:

Randall F. Roberts and Diane C. Roberts (Claimants) v. UBS PaineWebber, Inc., and  
Christopher Grennon (Respondents)

Case Number: 03-02225

Hearing Site: Boston, Massachusetts

---

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

**REPRESENTATION OF PARTIES**

Claimants Randall F. Roberts, IRA ("R. Roberts"), Diane C. Roberts, IRA ("D. Roberts") and Randall and Diane C. Roberts ("the Roberts") hereinafter collectively referred to as "Claimants": Kevin G. Diamond Esq., Shea & Diamond, LLP, Holliston, MA.

Respondents UBS PaineWebber, Inc. ("UBS"), and Christopher Grennon ("Grennon") hereinafter collectively referred to as "Respondents": David L. Becker, Esq., Davidson & Grannum, LLP, Orangeburg, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: March 25, 2003.

F. Roberts signed the Uniform Submission Agreement: April 17, 2003.

C. Roberts signed the Uniform Submission Agreement: April 17, 2003.

Joint Statement of Answer filed by Respondents on or about: July 8, 2003.

UBS did not sign the Uniform Submission Agreement.

Grennon did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimants asserted the following causes of action: breach of contract; breach of fiduciary duty; unsuitability; churning; fraud; conflict of interest; unauthorized trading; misrepresentation; negligence; failure to supervise; and over-concentration of investment. The causes of action relate to Silknet stock.

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

**RELIEF REQUESTED**

Claimants requested compensatory damages in the amount of \$880,000.00; interest at the rate of 9%; rescission damages; punitive damages; attorneys' fees; costs; fees; and, disciplinary referral

of Grennon to NASD.

Respondents requested dismissal of the Statement of Claim in its entirety; expungement of this claim from the CRD records of Grennon; assessment of costs and expenses against the Claimants, and such other and further relief as the Panel deems appropriate.

**OTHER ISSUES CONSIDERED AND DECIDED**

UBS and Grennon did not file with NASD Dispute Resolution a properly executed submission agreement 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 advised NASD Dispute Resolution of the settlement of the dispute in this matter and the terms and conditions of their settlement are set forth in a confidential settlement agreement between the parties.

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**

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. The Statement of Claim is dismissed in its entirety with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from 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, Christopher Grennon's 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, the member firm UBS PaineWebber, Inc., is a party.

Member Surcharge	= \$ 2,250.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 4,000.00

**Adjournment Fees**

The following adjournment fees are assessed:

August 9, 10 & 11, 2005 adjournment requested by the parties	= \$ 1,200.00
Claimants' share	= \$ 600.00
Respondents' share	= \$ 600.00

**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 per session	= \$ 1,200.00
Pre-hearing conference: June 21, 2004 1 session	
Total Forum Fees	= \$ 1,200.00

1. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Claimant R. Roberts has been assessed \$240.00 of the forum fees.
2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Claimant D. Roberts has been assessed \$240.00 of the forum fees.
3. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, the Roberts, jointly and severally, have been assessed \$240.00 of the forum fees.
4. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, UBS has been assessed \$240.00 of the forum fees.
5. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Grennon has been assessed \$240.00 of the forum fees.

**Fee Summary**

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 600.00
Total Fees	= \$ 975.00

NASD Dispute Resolution  
Arbitration No.03-02225  
Award Page 4 of 5

---

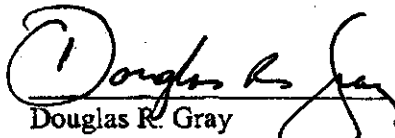
Less payments	= \$	975.00
Balance Due NASD Dispute Resolution	= \$	0.00
2. Claimants the Roberts are jointly and severally liable for:		
Forum Fee	= \$	240.00
Total Fees	= \$	240.00
Less payments	= \$	240.00
Balance Due NASD Dispute Resolution	= \$	0.00
3. Claimant R. Roberts is liable for:		
Forum Fee	= \$	240.00
Total Fees	= \$	240.00
Less payments	= \$	240.00
Balance Due NASD Dispute Resolution	= \$	0.00
4. Claimant D. Roberts is liable for:		
Forum Fee	= \$	240.00
Total Fees	= \$	240.00
Less payments	= \$	120.00
Balance Due NASD Dispute Resolution	= \$	120.00
5. UBS is solely liable for:		
Member Fees	= \$	7,000.00
Forum Fees	= \$	240.00
Total Fees	= \$	7,240.00
Less payments	= \$	7,240.00
Balance Due NASD Dispute Resolution	= \$	0.00
6. Grennon is liable for:		
Forum Fee	= \$	240.00
Total Fees	= \$	240.00
Less payments	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	240.00
7. Respondents are jointly and severally liable for:		
Adjournment Fee	= \$	600.00
Total Fees	= \$	600.00
Less payments	= \$	360.00
Balance Due NASD Dispute Resolution	= \$	240.00

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

ARBITRATION PANEL

Douglas R. Gray	-	Public Arbitrator, Presiding Chair
Arthur J. Giacomarra, Esq.	-	Public Arbitrator
Paul F. Marandett	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

  
Douglas R. Gray  
Public Arbitrator, Presiding Chair

3-3-06  
Signature Date

\_\_\_\_\_  
Arthur J. Giacomarra, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Paul F. Marandett  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

**March 9, 2006**

\_\_\_\_\_  
Date of Service (For NASD office use only)

ARBITRATION PANEL

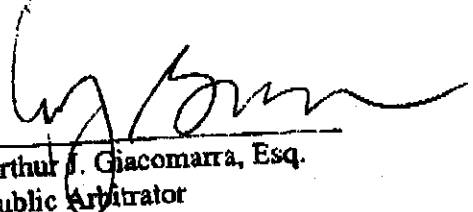
Douglas R. Gray  
Arthur J. Giacomarra, Esq.  
Paul F. Marandett

Public Arbitrator, Presiding Chair  
Public Arbitrator  
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Douglas R. Gray  
Public Arbitrator, Presiding Chair

Signature Date

  
Arthur J. Giacomarra, Esq.  
Public Arbitrator

3/1/06  
Signature Date

Paul F. Marandett  
Non-Public Arbitrator

Signature Date

**March 9, 2006**  
Date of Service (For NASD office use only)

NASD Dispute Resolution  
Arbitration No.03-02225  
Award Page 5 of 5

ARBITRATION PANEL

Douglas R. Gray	-	Public Arbitrator, Presiding Chair
Arthur J. Giacomarra, Esq.	-	Public Arbitrator
Paul F. Marandett	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

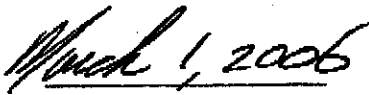
\_\_\_\_\_  
Douglas R. Gray  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Arthur J. Giacomarra, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
Paul F. Marandett  
Non-Public Arbitrator

  
Signature Date

**March 9, 2006**

\_\_\_\_\_  
Date of Service (For NASD office use only)