

**Stipulated Award
NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

James M. McKenney, Golden Gate Door & Window, Inc. Profit Sharing Plan and Golden Gate Door & Window, Inc. Money Purchase Pension Plan vs. Michael Scot Lance, Tony N. Tarrab and UBS Financial Services Inc. (f/k/a UBS PaineWebber, Inc.)

Case Number: 03-03305

Hearing Site: San Francisco, California

Nature of the Dispute: Customers vs. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimants:

James Jay Seltzer, Esq.
Thomas H. Porter, Esq.
Law Offices of James Jay Seltzer
Emeryville, California

For Respondents:

Philip A. McLeod, Esq.
Kevin J. Woods, Esq.
Keesal, Young & Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: May 5, 2003

Claimants' Uniform Submission Agreement signed: May 5, 2003

Joint Statement of Answer filed by Respondents UBS Financial Services Inc., f/k/a UBS PaineWebber, Inc. ("UBS"), Michael Scot Lance and Tony N. Tarrab: July 2, 2003

Michael Scot Lance's Uniform Submission Agreement signed: June 4, 2003

Tony N. Tarrab's Uniform Submission Agreement signed: June 4, 2003

UBS's Uniform Submission Agreement signed: May 28, 2003

CASE SUMMARY

Claimants' Statement of Claim complained about stocks and mutual funds they held in their UBS accounts. Claimants alleged that the Respondents should be liable for the losses sustained in their accounts. Claimants also alleged that the above-referenced dispute involves investments in various technology stocks, including but not limited to investments in Adobe Systems, Advent Software, Agere Systems, and Allegiance Telecom.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim and asserted affirmative defenses.

RELIEF REQUESTED

Claimants requested actual damages of approximately \$600,000.00, punitive damages in the amount of \$1,200,000.00, interest, treble damages, costs, attorneys' fees and such further action deemed just and appropriate.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety and an award of costs. Respondents Michael Scot Lance and Tony N. Tarrab also requested expungement of all reference to the above captioned arbitration from their registration records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

On January 8, 2004, Claimants and Claimants' 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.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimants shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

Claimants voluntarily dismissed with prejudice all claims against Respondents.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies.

STIPULATED DEMAND AND RECOMMENDATION OF EXPUNGEMENT

The parties hereby stipulate that all claims asserted by the Claimants against Respondents have been resolved.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Michael Scot Lance's and Tony N. Tarrab's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Michael Scot Lance and Tony N. Tarrab must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

AWARD

After considering the preceding Stipulation of the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel notes the parties' stipulation that all claims asserted by the Claimants against Respondents have been resolved.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Michael Scot Lance's and Tony N. Tarrab's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Michael Scot Lance and Tony N. Tarrab must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. Each party shall bear its own costs, including attorneys' fees.
4. All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD-DR received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$500.00

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, UBS 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>	<u>= \$5,000.00</u>
Total Member Fees	= \$8,550.00

3-Day Cancellation Fee

Referencing the cancelled hearing sessions scheduled on January 25-28, 2005, the Panel ruled that the parties shall split the 3-day cancellation fee in the amount of \$300.00, as follows: 50% to Claimants, jointly and severally and 50% to Respondents, jointly and severally.

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 Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$450.00/session	=	\$450.00
Pre-hearing conference: December 10, 2004	1 session	
(2) Pre-hearing conference sessions with the Panel @ \$1,200.00/session	=	\$2,400.00
Pre-hearing conferences: April 8, 2004	1 session	
February 24, 2005	1 session	
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Total Forum Fees	=	\$2,850.00

The Panel assessed \$825.00 in forum fees to Claimants, jointly and severally.

The Panel assessed \$2,025.00 in forum fees to Respondents UBS, Michael Scot Lance and Tony N. Tarrab, jointly and severally.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 500.00
3-Day Cancellation Fee	= \$ 150.00
<u>Forum Fees</u>	= \$ 825.00
Total Fees	= \$ 1,475.00
Retained deposit in accordance with Rule 10332(f) of the Code	= \$ 375.00
<u>Less payments</u>	= \$(1,700.00)
Balance Due NASD-DR	= \$ 150.00

2. Respondent UBS is charged with the following fees and costs:

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

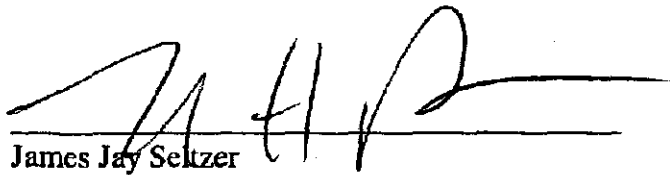
3. Respondents UBS, Michael Scot Lance and Tony N. Tarrab are charged jointly and severally with the following fees and costs:

3-Day Cancellation Fee	= \$ 150.00
<u>Forum Fees</u>	= \$ 2,025.00
Total Fees	= \$ 2,175.00
<u>Less payments by UBS</u>	= \$(1,800.00)
Balance Due NASD-DR	= \$ 375.00

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


Parties' Signatures

Dated: 3/14, 2005



James Jay Seltzer
Thomas H. Porter
Law Offices of James Jay Seltzer
Attorneys for James M. McKenney, Golden
Gate Door & Window, Inc. Profit Sharing Plan
and Golden Gate Door & Window, Inc. Money
Purchase Pension Plan

Dated: _____, 2005



Philip A. McLeod
Kevin J. Woods
Keesal, Young & Logan
Attorneys for
UBS Financial Services Inc., Michael Scot
Lance and Tony N. Tarrab

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Dated: _____, 2005

James Jay Seltzer
Thomas H. Porter
Law Offices of James Jay Seltzer
Attorneys for James M. McKenney, Golden
Gate Door & Window, Inc. Profit Sharing Plan
and Golden Gate Door & Window, Inc. Money
Purchase Pension Plan

Dated: March 10, 2005

Kevin J. Woods

Philip A. McLeod
Kevin J. Woods
Keesal, Young & Logan
Attorneys for
UBS Financial Services Inc., Michael Scot
Lance and Tony N. Tarrab

ARBITRATION PANEL

D'Anne J. Quinton	-	Public Arbitrator, Presiding Chair
Isidoro Berkman, Esq.	-	Public Arbitrator
Douglas E. DeTata	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

D'Anne Quinton

D'Anne J. Quinton
Chair, Public Arbitrator

3-10-05
Signature Date

Isidoro Berkman, Esq.
Public Arbitrator

Signature Date

Douglas E. DeTata
Non-Public Arbitrator

Signature Date

4/7/05
Date of Service


ARBITRATION PANEL

D'Anne J. Quinton	-	Public Arbitrator, Presiding Chair
Isidoro Berkman, Esq.	-	Public Arbitrator
Douglas E. DeTata	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

D'Anne J. Quinton
Chair, Public Arbitrator

Signature Date



Isidoro Berkman, Esq.
Public Arbitrator

3-25-05

Signature Date

Douglas E. DeTata
Non-Public Arbitrator

Signature Date

4/7/05

Date of Service

ARBITRATION PANEL

D'Anne J. Quinton	-	Public Arbitrator, Presiding Chair
Isidoro Berkman, Esq.	-	Public Arbitrator
Douglas E. DeTata	-	Non-Public Arbitrator


Concurring Arbitrators' Signatures

D'Anne J. Quinton
Chair, Public Arbitrator

Signature Date

Isidoro Berkman, Esq.
Public Arbitrator

Signature Date



Douglas E. DeTata
Non-Public Arbitrator

3/21/05

Signature Date

4/7/05

Date of Service