

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc.

and

03-03577
Phoenix, Arizona

Name of Respondents

David William Block

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc. ("**Claimant**") was represented by Deborah H. Gottlieb, Esq., Davidson, Manchel & Brennan, LLP, Northvale, New Jersey.

David William Block ("**Respondent**") did not respond to the Statement of Claim.

CASE INFORMATION

The Statement of Claim was filed on or about May 15, 2003. UBS Financial Services Inc.'s Motion for an Award by Default or Motion to Bar Defenses was filed on or about August 13, 2003. Letter dated December 3, 2003 wherein, Claimant elected to proceed under Rule 10314(e) of the NASD Code of Arbitration Procedure. Submission Agreement of Claimant UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc. was signed on April 21, 2003 by John Sfera.

CASE SUMMARY

Claimant alleged that Respondent failed to repay a promissory note. In addition, Claimant alleged that Respondent was responsible for the costs it incurred in a settlement with one of Respondent's customers.

RELIEF REQUESTED

Claimant requested an award in its favor against Respondent as follows:

- a) Money damages in the amount of \$472,285.49 plus interest thereon from August 14, 2002 through the payment of the award;

- b) All costs, fees and disbursements of this action, including attorney's fees; and
- c) Such other and further relief as the Arbitration Panel may deem just and equitable.

OTHER ISSUES CONSIDERED & DECIDED

By letter dated December 3, 2003 Claimant(s) opted to proceed against Respondent(s) David William pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that Respondent(s) David William Block was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent(s) David William Block is required to submit to arbitration pursuant to the Code and is/are 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 David William Block shall be and hereby is liable for and shall pay to Claimant UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc. the sum of \$472,285.49 (**Four Hundred Seventy Two Thousand Two Hundred Eighty Five Dollars and Forty Nine Cents**) as compensatory damages.
2. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
3. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

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 = \$1,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc.

Member surcharge	\$	1,700.00
Pre-hearing process fee	\$	750.00
Total Member Fees	\$	2,450.00

Fee Summary

Claimant, UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc., shall be and hereby is liable for:

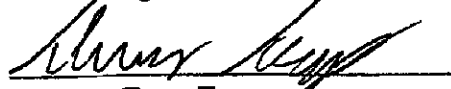
Initial Filing Fee	= \$	1,000.00
Member Fees	= \$	2,450.00
Total Fees	= \$	3,450.00
<u>Less payments</u>	= \$	-4,575.00
Balance to be refunded by NASD Dispute Resolution	= \$	1,125.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

~~Non-Public~~
Thomas Tays, Esq. - ~~Public~~ Arbitrator, Presiding Chair

Concurring Arbitrators:


Thomas Tays, Esq.
~~Public~~ Arbitrator, Presiding Chair
~~Non-Public~~

4/28/04
Signature Date