

**Stipulated Award
NASD Dispute Resolution**

COPY

In the Matter of the Arbitration Between:

Lila Faria Individually and as Trustee of the Lila Faria Living Trust dtd 6/2/00, Claimants v.
UBS Paine Webber Inc. (n/k/a UBS Financial Services Inc.) and George S. Sellers, Jr.,
Respondents

Case Number: 03-05355

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimants:

Thomas C. Bradley, Esq.
Sinai, Schroeder, Mooney, Boetsch,
Bradley & Pace
Reno, Nevada

For Respondents:

Eric G. Wallis, Esq.
Reed Smith LLP
Oakland, California

CASE INFORMATION

Statement of Claim filed: July 21, 2003

Claimants' Uniform Submission Agreement signed: July 7, 2003

Joint Statement of Answer filed by Respondents UBS Paine Webber Inc., n/k/a UBS Financial
Services Inc. ("PaineWebber") and George S. Sellers, Jr.: October 2, 2003

Respondent PaineWebber's Uniform Submission Agreement signed: September 18, 2003

Respondent George S. Sellers, Jr.'s Uniform Submission Agreement filed: October 6, 2003

CASE SUMMARY

Claimants alleged that Respondents were liable to Claimants for damages resulting from Claimants' investments with Respondents and further alleged that the damages were caused by Respondents' acts and omissions including but not limited to, negligence and breach of fiduciary duty. Claimants' claim did not specify the securities at issue in this matter.

Respondents denied the allegations of wrongdoing and denied that Claimants were damaged by any act of Respondents.

RELIEF REQUESTED

Claimants requested:

1. Damages of approximately \$583,080.00;
2. Prejudgment and postjudgment interest;
3. Costs including attorneys and consulting fees;
4. Punitive damages; and
5. Such other and further relief as the Panel deems just and proper.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On September 6, 2003, 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.

On September 29, 2003, Respondents 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 Stipulated Award in this matter may be executed in counterpart copies.

STIPULATION

Claimants have stipulated to dismiss all claims in the above-captioned arbitration with prejudice, and have further stipulated to expunge this dispute, complaint, and/or this arbitration from Respondent George S. Sellers, Jr.'s registration records maintained by the Central Registration Depository ("CRD").

AWARD

Pursuant to the stipulation reached by the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel confirms that all claims in this case are dismissed with prejudice.

2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent George S. Sellers, Jr.'s registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent George S. Sellers, Jr. 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 attorney's fees.
4. All other relief 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	= \$ 375.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm PaineWebber is a party and the following fees are assessed:

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

3-Day Cancellation Fee

Referencing the cancelled hearing sessions scheduled on November 1-2, 2004, 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: August 20, 2004 1 session

(2) Pre-hearing conference sessions with the Panel @ \$1,200.00/session = \$2,400.00
Pre-hearing conferences: January 7, 2004 1 session
December 29, 2004 1 session

Total Forum Fees = \$2,850.00

1. The Panel assessed \$600.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$1,800.00 of the forum fees jointly and severally to Respondents PaineWebber and George S. Sellers, Jr.
3. The Panel waived the \$450.00 forum fee in connection with the pre-hearing conference held August 20, 2004.

Fee Summary

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

Initial Filing Fee	= \$ 375.00
3-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 1,125.00
Retained deposit in accordance with Rule 10332(f) of the Code	= \$ 600.00
<u>Less payments</u>	<u>= \$(1,725.00)</u>
Balance Due NASD-DR	= \$ 0.00

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

Member Fees	= \$ 7,000.00
<u>Less payments</u>	<u>= \$(7,000.00)</u>
Balance Due NASD-DR	= \$ 0.00


3. Respondents PaineWebber and George S. Sellers, Jr. are charged jointly and severally with the following fees and costs:

3-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 1,800.00
Total Fees	= \$ 1,950.00
<u>Less payments by PaineWebber</u>	<u>= \$(900.00)</u>
Balance Due NASD-DR	= \$ 1,050.00

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.

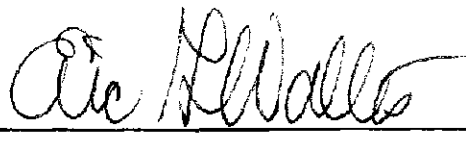
Parties' Signatures

Dated: 1-31-05



Thomas C. Bradley
Sinai, Schroeder, Mooney, Boetsch,
Bradley & Pace
Attorneys for Claimants

Dated: February 4, 2005



Eric G. Wallis
Reed Smith LLP
Attorneys for Respondents

ARBITRATION PANEL

Michelle Brant	-	Public Arbitrator, Presiding Chair
Laurel Littman Gothelf, MPH	-	Public Arbitrator
Mary H. Evans, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Michelle Brant
Michelle Brant
Chair, Public Arbitrator

2-15-05
Signature Date

Laurel Littman Gothelf, MPH
Laurel Littman Gothelf, MPH
Public Arbitrator

Signature Date

Mary H. Evans, J.D.
Mary H. Evans, J.D.
Non-Public Arbitrator

Signature Date

3/10/05
Date of Service

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Michelle Brant	-	Public Arbitrator, Presiding Chair
Laurel Littman Gothelf, MPH	-	Public Arbitrator
Mary H. Evans, J.D.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Michelle Brant
Chair, Public Arbitrator

Signature Date



Laurel Littman Gothelf, MPH
Public Arbitrator

2-14-05

Signature Date

Mary H. Evans, J.D.
Non-Public Arbitrator

Signature Date

3/10/05

Date of Service

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Concurring Arbitrators' Signatures

Michelle Brant
Chair, Public Arbitrator

Signature Date

Laurel Littman Gothelf, MPH
Public Arbitrator

Signature Date



Mary H. Evans, J.D.
Non-Public Arbitrator

3-9-05

Signature Date

3/10/05

Date of Service