

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Valerie Mihalek, Claimant, v. UBS PaineWebber Inc. n/k/a UBS Financial Services, Inc. and
Antonel Urdes, Respondents

Case Number: 03-05433

Hearing Site: Portland, Oregon

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

REPRESENTATION OF PARTIES

For Claimant:

Robert Bertsch, Esq.
Bertsch & Associates
Port Washington, New York

For Respondents:

Bruce L. Campbell, Esq.
Ky Fullerton, Esq.
Miller Nash LLP
Portland, Oregon

CASE INFORMATION

Statement of Claim filed: July 24, 2003

Claimant's Uniform Submission Agreement signed: July 9, 2003

Joint Statement of Answer filed by Respondents: November 7, 2003

Respondent UBS PaineWebber Inc. n/k/a UBS Financial Services, Inc.'s Uniform Submission
Agreement signed: October 23, 2003

Respondent Antonel Urdes' Uniform Submission Agreement signed: October 29, 2003

CASE SUMMARY

In her Statement of Claim, Claimant alleged breach of fiduciary duty, unsuitability, breach of the Securities Exchange Act, and breach of rules of the New York Stock Exchange and Securities and Exchange Commission involving investments in numerous speculative technology stocks including Ariba, Amtel Corp., Cisco Systems, Inc., CMCI Inc., Corning Inc., EMC Corp Mass, JDS Uniphase Corp., Intel, LSI Logic and Yahoo Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and raised the following affirmative defenses: failure to state a claim for relief, failure to mitigate damages, good faith, direction of trades, trades made in accordance with stated investment objectives, ratification, waiver and estoppel, contributory negligence and comparative fault.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$180,000.00, pre- and post-judgment interest and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, expungement of all reference to the above captioned arbitration from Respondent Antonel Urdes' registration records maintained by the NASD Central Registration Depository ("CRD"), and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed to settle this matter for a sum certain to be paid by Respondents pursuant to a settlement agreement separately executed by 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.

STIPULATED AWARD

After considering the pleadings and the request of the Parties for a Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety with prejudice.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Antonel Urdes' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Antonel Urdes must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 4) All other relief requested and 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	= \$ 300.00
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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 that gave rise to the dispute, claim, or controversy. Accordingly, the member firm UBS PaineWebber n/k/a UBS Financial Services, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

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 or the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session = \$ 1,125.00
Pre-hearing conference: January 16, 2004 1 session

Total Forum Fees = **\$1,125.00**

1. The Panel assessed \$562.50 of the forum fees to Claimant.
2. The Panel assessed \$562.50 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant, is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 562.50</u>
Total Fees	= \$ 862.50
<u>Less payments</u>	<u>= \$(725.00)</u>
Balance Due NASD Dispute Resolution	= \$ 137.50

2. Respondent, UBS PaineWebber Inc. n/k/a UBS Financial Services, Inc., is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
<u>Less payments</u>	<u>= \$(5,387.50)</u>
Refund Paid	= \$ (187.50)

3. Respondents, UBS Paine Webber, Inc. n/k/a UBS Financial Services, Inc. and Antonel Urdes, are charged jointly and severally with the following fees and costs:

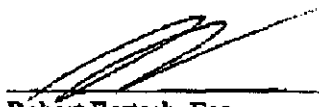
Forum Fee	= \$ 562.50
<u>Less Payments by UBS PaineWebber, Inc. n/k/a UBS Financial Services, Inc.</u>	<u>= \$ 562.50</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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.

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Stipulated Award Page 5 of 6

Valerie Mihalek, by her attorney,

UBS Financial Services Inc., f.k.a. UBS
PaineWebber Inc., and Antonel Urdes, by their
attorneys,



Robert Bertsch, Esq.
Bertsch & Associates
Uniondale, New York

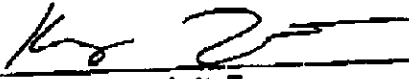
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UBS Financial Services Inc., f.k.a. UBS
PaineWebber Inc., and Antoni Urdes, by their
attorneys.


Robert Bertsch, Esq.
Bertsch & Associates
Uniondale, New York

 10/22/04
Bruce L. Campbell, Esq.
Ky Fullerton, Esq.
Miller Nash LLP
Portland, Oregon

ARBITRATION PANEL

Linda I. Thomas	-	Public Arbitrator, Presiding Chair
William H. King	-	Public Arbitrator
Joseph L. Mangan	-	Industry Arbitrator

Concurring Arbitrators' Signatures


Linda I. Thomas
Chair, Public Arbitrator

10/25/04
Signature Date

William H. King
Public Arbitrator

Signature Date

Joseph L. Mangan
Non-Public Arbitrator

Signature Date

10/25/04
Date of Service

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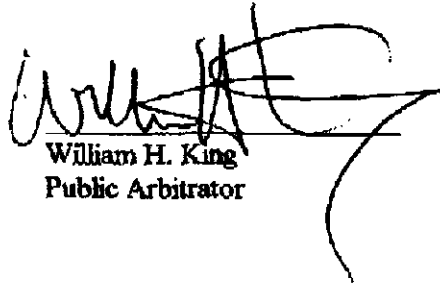
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Public Arbitrator

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Signature Date

Joseph L. Mangan
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 Chair, Public Arbitrator

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 William H. King
 Public Arbitrator

 Signature Date


 Joseph L. Mangan
 Non-Public Arbitrator

10-22-04
 Signature Date

10/25/04
 Date of Service