

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Horst and Nicole Langecker as Co-Trustees for the Langecker Family Trust UA DTD 11/8/93,
Claimants v. UBS Financial Services Inc. f/k/a UBS PaineWebber Inc. and David A. Jones,
Respondents

Case Number: 03-05782

Hearing Site: Reno, Nevada

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:

Ted W. Lieu, Esq.
UBS Financial Services Inc.
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: August 5, 2003

Claimants' Uniform Submission Agreement signed: July 26, 2003

Joint Statement of Answer filed by Respondents: October 20, 2003

Respondent UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc.'s Uniform Submission
Agreement signed: October 20, 2003

CASE SUMMARY

Claimants alleged unsuitability, breach of fiduciary duty, and failure to supervise. Claimants' allegations involved PaineWebber's Managed High Yield Plus Fund.

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

RELIEF REQUESTED

Claimants requested \$65,563.00 in compensatory damages, pre- and post-judgment interest, unspecified punitive damages, opportunity costs, and costs, including attorney's fees.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, costs, and expungement of all reference to the above captioned arbitration from the registration record of David A. Jones maintained by NASD's Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent David A. Jones did not file with NASD Dispute Resolution a properly executed submission agreement, but he is required to submit to arbitration pursuant to NASD's Code of Arbitration Procedure, and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims are denied in their entirety.
- 2) Respondent David A. Jones' request for expungement of this matter from his CRD record is denied.
- 3) The Parties shall bear their respective costs, including attorney's fees.
- 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	= \$ 225.00
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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 Financial Services Inc. f/k/a UBS PaineWebber, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 1,700.00</u>
Total Member Fees	= \$ 3,550.00

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 Panel. The following fees are assessed:

1 Pre-hearing conference session @ \$ 750.00/session	= \$ 750.00
Pre-hearing conference: December 10, 2003 1 session	
4 Hearing sessions @ \$ 750.00/session	= \$ 3,000.00
Hearings: September 23, 2004 2 sessions	
September 24, 2004 2 sessions	
Total Forum Fees	= \$ 3,750.00

The Panel assessed \$3,750.00 of the forum fees jointly and severally to Respondents UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc. and David A. Jones.

FEE SUMMARY

1. Claimants Horst and Nicole Langecker as Co-Trustees for the Langecker Family Trust UA DTD 11/8/93 are charged with the following fees and costs:

<u>Initial Filing Fee</u>	= \$ 225.00
<u>Total Fees</u>	= \$ 225.00
<u>Less payments</u>	= \$ (975.00)
Refund Due Claimants	= \$ (750.00)

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

<u>Member Fees</u>	= \$ 3,550.00
<u>Less payments</u>	= \$(3,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents UBS Financial Services Inc. f/k/a UBS PaineWebber, Inc. and David A. Jones are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 3,750.00
<u>Less payments by UBS Financial Services Inc.</u>	= \$ (750.00)
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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.

ARBITRATION PANEL

Nancy L. Hudson	-	Public Arbitrator, Presiding Chair
Joseph C. Roberts	-	Public Arbitrator
Barry A. Mainardi	-	Industry Arbitrator

Concurring Arbitrators' Signatures

Nancy L. Hudson
Chair, Public Arbitrator

Signature Date



Joseph C. Roberts
Public Arbitrator

9/28/04

Signature Date

Barry A. Mainardi
Industry Arbitrator

Signature Date

9/29/04

Date of Service

ARBITRATION PANEL

<i>Nancy L. Hudson</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Joseph C. Roberts</i>	-	<i>Public Arbitrator</i>
<i>Barry A. Mainardi</i>	-	<i>Industry Arbitrator</i>

Concurring Arbitrators' Signatures

Nancy L. Hudson
Chair, Public Arbitrator

Signature Date

Joseph C. Roberts
Public Arbitrator

Signature Date



Barry A. Mainardi
Industry Arbitrator

9-29-04
Signature Date

9/29/04
Date of Service

ARBITRATION PANEL

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<i>Joseph C. Roberts</i>	-	<i>Public Arbitrator</i>
<i>Barry A. Mainardi</i>	-	<i>Industry Arbitrator</i>

Concurring Arbitrators' Signatures

Nancy L. Hudson
Nancy L. Hudson
Chair, Public Arbitrator

10/10/2004
Signature Date

Joseph C. Roberts
Public Arbitrator

Signature Date

Barry A. Mainardi
Industry Arbitrator

Signature Date

Date of Service