

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Lee R. Petty, individually, and as Personal
Representative of Deborah Petty

Case Number: 03-07158

Names of the Respondents

Daron D. Fullwood
Charles C. Heyward, Jr.
Sean Wintz
UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc.

Hearing Site: Baltimore, Maryland

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

REPRESENTATION OF PARTIES

Claimants, Lee Petty, individually and as Personal Representative of Deborah Petty, were represented by Michael Lynch, Esq., Hooper & Weiss, LLP, Orlando, Florida.

Respondents Daron D. Fullwood ("Fullwood"), Sean Wintz ("Wintz"), and UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. ("UBS"), were represented by Tracey Salmon-Smith, Esq., UBS Financial Services, Inc., New York, New York.

Respondent, Charles C. Heyward, Jr. ("Heyward"), was not represented by counsel.

CASE INFORMATION

Statement of Claim filed on or about August 28, 2003.

Claimant Lee Petty signed the Uniform Submission Agreement individually and as Personal Representative for Deborah Petty on August 28, 2003.

Statement of Answer filed by Respondents Fullwood and UBS on December 10, 2003.

Respondent Wintz joined Respondents Fullwood's and UBS's Statement of Answer on June 24, 2004.

Respondent Fullwood signed the Uniform Submission Agreement on December 11, 2003.

A representative of Respondent UBS executed the Uniform Submission Agreement on December 10, 2003.

Respondent Wintz signed the Uniform Submission Agreement on June 22, 2004.

Respondent Heyward did not file a Statement of Answer or Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action, among others: unsuitability, breach of contract, breach of fiduciary duty, violation of Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934, common law fraud, violation of SRO rules, negligence, failure to supervise, and *respondeat superior*.

Unless specifically admitted in their Answer, Respondents Fullwood, Wintz and UBS denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted, ratification, waiver, estoppel, failure to demonstrate requisite *scienter*, assumption of the risk, no independent cause of action, reasonable care, mitigation of damages, losses not proximately caused by alleged misconduct, market conditions over which Respondents have no control, adequate supervision, and failure to adequately allege fraud.

RELIEF REQUESTED

Claimants requested the following damages:

Compensatory Damages	\$60,986.48
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Claimants also requested the disgorgement of all commissions, fees, and other charges paid by Claimants to Respondents.

Respondents Fullwood, Wintz, and UBS requested that the Arbitration Panel (the "Panel") dismiss all claims against them.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Heyward did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

Prior to the hearing, the Parties fully and finally settled all claims by and between them. Therefore, the Parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted

for determination as follows:

1. Claimants have dismissed the Statement of Claim with prejudice against Respondents Fullwood, Heyward, Wintz and UBS;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Daron Fullwood's and Respondent Sean Wintz's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents Daron Fullwood and Sean Wintz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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	= \$ 225.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, UBS is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00
Total Member Fees	= \$3,550.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: April 13, 2004 1 session	
Total Forum Fees	= \$ 750.00

1. The Panel has assessed \$250.00 of the forum fees to Claimants.

2. The Panel has assessed \$125.00 of the forum fees to Respondent Fullwood.
3. The Panel has assessed \$125.00 of the forum fees to Respondent Heyward.
4. The Panel has assessed \$125.00 of the forum fees to Respondent Wintz.
5. The Panel has assessed \$125.00 of the forum fees to Respondent UBS.

EEE SUMMARY

1. Claimants are assessed and shall pay the following fees:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 250.00
<u>Retained Hearing Session Deposit</u>	<u>= \$ 500.00</u>
Total Fees	= \$ 975.00
<u>Less payments</u>	<u>= \$ 975.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

2. Respondent Fullwood is assessed and shall pay the following fees:

<u>Forum Fees</u>	<u>= \$ 125.00</u>
Total Fees	= \$ 125.00
<u>Less payments</u>	<u>= \$ 125.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

3. Respondent Heyward is assessed and shall pay the following fees:

<u>Forum Fees</u>	<u>= \$ 125.00</u>
Total Fees	= \$ 125.00

4. Respondent Wintz is assessed and shall pay the following fees:

<u>Forum Fees</u>	<u>= \$ 125.00</u>
Total Fees	= \$ 125.00
<u>Less payments</u>	<u>= \$ 125.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

5. Respondent UBS id assessed and shall pay the following fees:

Member Fees	= \$3,550.00
<u>Forum Fees</u>	<u>= \$ 125.00</u>
Total Fees	= \$3,675.00
<u>Less payments</u>	<u>= \$3,675.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00

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

ARBITRATION PANEL

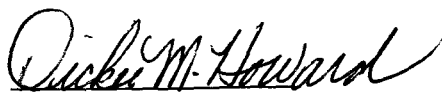
William H. Malloy, Jr., Esq.
Dickee M. Howard, Esq.
Victor H. Dates, J.D

Public Arbitrator, Presiding Chairperson
Public Arbitrator, Panelist
Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

William H. Malloy Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Dickee M. Howard, Esq.
Public Arbitrator, Panelist

3/31/05
Signature Date

Victor H. Dates, J.D
Non-Public Arbitrator, Panelist

Signature Date

4/14/05
Date of Service (For NASD Dispute Resolution office use only)

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Dissenting Arbitrator's Signature



William H. Malloy Jr., Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

Date of Service (For NASD Dispute Resolution office use only)

William H. Malloy, Jr., Esq.
Dickee M. Howard, Esq.
Victor H. Dates, J.D

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
Non-Public Arbitrator, Panelist

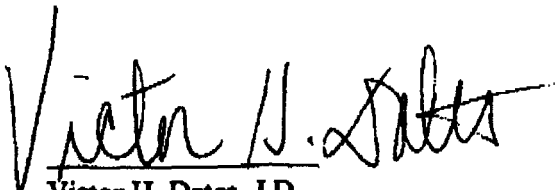
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Public Arbitrator, Presiding Chairperson

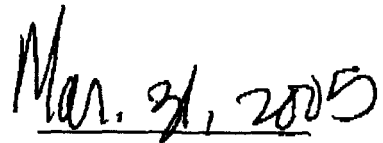
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Dickee M. Howard, Esq.
Public Arbitrator, Panelist

Signature Date



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Non-Public Arbitrator, Panelist



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