

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-00694

Pamela Kimball, Claimant vs. UBS Financial Services, Inc., Respondent.

ATTORNEYS:

Claimant, Pamela Kimball, ("Claimant") appeared pro se, Palo Alto, CA.

Respondent, UBS Financial Services, ("Respondent") appeared through its in-house counsel, Andrew J. Melnick, Esq., Weehawken, NJ.

NATURE OF DISPUTE: Customer vs. Member.

DATE FILED: February 2, 2004.

CASE SUMMARY: Claimant alleged that she was poorly advised by Respondent in the purchasing and selling of Dreyfus High Yield Strategies Fund. Claimant maintained that due to Respondent's actions she suffered financial losses.

Claim Data

Claim: \$5,000.00
Punitive: \$10,000.00
Other: Unspecified

Award Data

Award: \$.00
Punitive: \$.00
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant are dismissed in their entirety. 2) All requests for punitive damages are denied. 3) All other relief requests are denied. 4) The \$425.00 filing fee was waived by NASD Dispute Resolution.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

ARBITRATOR'S REPORT: Claimant, Pamela Kimball, did not get the low risk conservative investment she paid \$4,500 for on April 23, 1998. She relied on Katherine Schultz, Respondent's Representative and got 300 shares of Dreyfus High Yield Strategies Fund, a high risk "junk bond" fund. Concurrently, Claimant received a fund prospectus which detailed the features of the investment.

In that transaction, regardless of whether or not Claimant read the prospectus after the purchase, there was a failure to provide full disclosure of the features of the investment. This entitled Claimant to seek prompt redress against Respondent for her purchase. Since the prospectus had sufficient details to put her on notice of what she in fact had received, the two year time line to seek redress started to run on from the date of purchase. While there were personal reasons that caused Claimant to wait till January, 2004 to file for arbitration against Respondent, none of the reasons stopped the running of the time line for seeking redress. The time during which redress could be brought expired.

It is not necessary to review if there was negligence in failing to make a more careful review of Claimant's situation at the time of purchase and the suitability of the investment. Claimant with knowledge of the unsuitability of the investment did not take action or mitigate her loss until late in 2002. She waited too long to act.

Page Three
Award 04-00694

Thomas Y. Higashi, Esq. - Sole Public Arbitrator

AFFIRMATION

I, Thomas Y. Higashi, Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.

Thomas Y. Higashi
Thomas Y. Higashi, Esq.

September 14, 2004
Signature Date

September 16, 2004
Date of Service (For NASD-DR office use only)