

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Thomas W. Crawford, Claimant v. UBS Financial Services Inc. and Kenneth D. Horwitz,
Respondents

Case Number: 04-01544

Hearing Site: Seattle, Washington

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

REPRESENTATION OF PARTIES

For Claimant:

Chris R. Youtz, Esq.
Sirianni Youtz Meier & Spoonemore
Seattle, Washington

For Respondents:

David L. Young, Esq.
Lane Powell Spears Lubersky, LLP
Seattle, Washington

CASE INFORMATION

Statement of Claim filed: March 4, 2004

Claimant's Uniform Submission Agreement signed: September 11, 2003

Respondents' Joint Statement of Answer filed: May 7, 2004

Respondent UBS Financial Services Inc.'s Uniform Submission Agreement signed:
March 23, 2004

Respondent Kenneth D. Horwitz' Uniform Submission Agreement signed: May 5, 2004

CASE SUMMARY

Claimant alleged violations of Washington State Securities Act, failure to supervise, breach of contract, breach of fiduciary duty, and violation of the Washington Consumer Protection Act. Claimant's allegations involved transactions in his margin account and option trading of securities such as Advanced Tissue, P-Com, Lucent, Intel, America Online and Cisco.

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

RELIEF REQUESTED

Claimant requested \$950,000.00 in compensatory damages, pre-judgment interest at the legal rate, \$10,000.00 in treble damages, and attorneys' fees.

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

UNCONTESTED FACTS

The parties to this arbitration have agreed to the entry of uncontested facts as follows:

Claimant Thomas Crawford ("Claimant") brought certain claims against UBS Financial Services Inc. ("UBS").

UBS employee Kenneth Horwitz was also named as a Respondent.

Claimant alleged losses in his accounts relating to alleged misconduct by the Respondents.

Claimant sought approximately \$450,000.00 in damages for his claims.

UBS and Kenneth Horwitz denied all material allegations contained in Claimant's Statement of Claim.

In November 2004, Claimant stipulated to dismissal of his claims against Kenneth Horwitz.

In January 2005, UBS and Claimant agreed to a settlement of Claimant's claims, in consideration of Claimant's release of all claims and the dismissal of this action with prejudice. Pursuant to the settlement, UBS also released all claims it may have had against Claimant.

Claimant has released all claims against Kenneth Horwitz. Claimant has agreed to cooperate in efforts to expunge his complaint against Mr. Horwitz from Mr. Horwitz's Form U4 and any other NASD reporting documents.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant's Statement of Claim was filed in this matter prior to April 12, 2004. Consequently, NASD's amended Rule 2130 pertaining to expungement does not apply to this matter.

Prior to the hearing, the parties having settled this matter agreed that the Panel recommend the expungement of all reference to the above-captioned arbitration from Respondent Kenneth Horwitz's registration records maintained by NASD within the CRD system.

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, and the Parties' request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a confidential settlement agreement.
2. This matter is dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Kenneth D Horwitz's registration records maintained by NASD's Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Kenneth D. Horwitz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. The parties shall bear their own costs, including attorney's fees.
5. Any and all relief not specifically granted herein 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
--------------------------	-------------

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. 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

Adjournment Fees

The following adjournment fees are assessed:

Parties requested adjournment of December 8-11, 2004 hearing dates	= \$ 1,200.00
--	---------------

1. The Panel assessed \$600.00 of the adjournment fees to Claimant.
2. The Panel assessed \$600.00 of the adjournment fees jointly and severally to Respondents.

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:

One (1) pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
<u>Pre-hearing conference: June 30, 2004</u>	<u>1 session</u>
Total Forum Fees:	= \$ 1,200.00

1. The Panel assessed \$ 600.00 of the forum fees to Claimant.
2. The Panel assessed \$ 600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant Thomas W. Crawford is charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 1,575.00
<u>Less payments</u>	<u>= \$(1,575.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent UBS Financial Services Inc. 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 Dispute Resolution	= \$ 0.00

3. Respondents UBS Financial Services Inc. and Kenneth D. Horwitz are charged jointly and severally with the following fees and costs:

Adjournment Fees	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 1,200.00
<u>Less payments by UBS Financial Services Inc.</u>	<u>= \$ (600.00)</u>
Balance Due NASD Dispute Resolution	= \$ 600.00

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

Ronald L. Peters, J.D.	-	Public Arbitrator, Presiding Chair
Paul R. Meyer	-	Public Arbitrator
Ronald E. Lorentsen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Ronald L. Peters, J.D.
Chair, Public Arbitrator

4.5.05

Signature Date

Ronald E. Lorentsen
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

Paul R. Meyer
Public Arbitrator

Signature Date

4/6/05

Date of Service

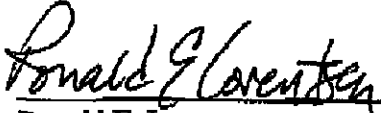
ARBITRATION PANEL

Ronald L. Peters, J.D.	-	Public Arbitrator, Presiding Chair
Paul R. Meyer	-	Public Arbitrator
Ronald E. Lorentsen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Ronald L. Peters, J.D.
Chair, Public Arbitrator

Signature Date



Ronald E. Lorentsen
Non-Public Arbitrator

4-4-05
Signature Date

Dissenting Arbitrator's Signature

Paul R. Meyer
Public Arbitrator

Signature Date

4/6/05
Date of Service

ARBITRATION PANEL

Ronald L. Peters, J.D.	-	Public Arbitrator, Presiding Chair
Paul R. Meyer	-	Public Arbitrator
Ronald E. Lorentsen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Ronald L. Peters, J.D.
Chair, Public Arbitrator

Signature Date

Ronald E. Lorentsen
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature



Paul R. Meyer
Public Arbitrator

4-4-05
Signature Date

4/6/05
Date of Service