

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

UBS Financial Services, Inc. (Claimant) v. Patience L. Taylor (Respondent)

Case Number: 04-01667

Hearing Site: Boston, Massachusetts

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Claimant UBS Financial Services, Inc. hereinafter referred to as "Claimant": Anthony J. Borrelli, Esq., Riker, Danzig, Scherer, Hyland & Perretti, LLP, Morristown, NJ.

Respondent Patience L. Taylor hereinafter referred to as "Respondent": Richard W. Kearney, Esq., Kearney & Associates, Rockland, MA.

CASE INFORMATION

Statement of Claim filed on or about: March 9, 2004.

Amended Statement of Claim filed on or about: December 22, 2004.

Motion to Bar filed by Claimant on or about: December 22, 2004.

Claimant signed the Uniform Submission Agreement: March 4, 2004.

Statement of Answer filed by Respondent on or about: May 14, 2004.

Respondent signed the Uniform Submission Agreement: May 24, 2004.

CASE SUMMARY

Claimant asserted the following cause of action: failure to repay monies owed pursuant to the terms of an Employee Forgivable Loan and the Varvitsiotis and Von Rumpf/Stewart settlements.

Unless specifically admitted in her Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$182,227.80 in connection with the employee forgivable loan, plus interest; compensatory damages in the amount of \$24,325.58 in connection with the Varvitsiotis settlement, plus interest; compensatory damages in the amount

of \$9,900.00 in connection with the Von Rumpf settlement, plus interest; all costs, fees, and disbursements, including attorneys' fees; and such other and further relief as the Arbitrators deem just and equitable.

Respondent requested that Claimant's requests be denied; that the matter be dismissed; a determination that the Promissory Note and related agreements are null, void, and unenforceable by law; that Claimant's request that they be reimbursed for settlement of the Varvitsiotis customer claim be denied; that damages be awarded to the Respondent, in an unspecified amount, as a result of Claimant's failure to abide by its promises to and agreements with the Respondent; costs, including reasonable attorneys' fees; and any other relief the Arbitrators deem just.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, Claimant made a Motion to Bar Presentation of Facts and Defenses at Hearing. After due consideration, the Panel denied the Motion.

The parties have 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, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$214,912.70, plus interest at the rate of 9% per annum from the date of the Award through the date of payment.
2. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$10,000.00 in accordance with Claimant's request.
3. Any and all relief not specifically addressed herein is denied.

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	= \$1,000.00
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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 firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, UBS Financial Services, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 24-26, 2005, adjournment by Claimant	= \$1,125.00
Claimant's share	= \$562.50
Respondent's share	= \$562.50

Forum Fees and Assessments

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

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conference:	
August 26, 2004	1 session
January 24, 2005	1 session
Four (4) Hearing sessions @ \$1,125.00	= \$4,500.00
Hearing Dates:	
April 26, 2005	2 sessions
April 27, 2005	2 sessions
Total Forum Fees	= \$6,750.00

1. The Panel has assessed \$3,375.00 of the forum fees against Claimant.
2. The Panel has assessed \$3,375.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 562.50
Forum Fees	= \$ 3,375.00
Total Fees	= \$10,137.50
Less payments	= \$ 7,325.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

2. Respondent is solely liable for:

Adjournment Fee	= \$ 562.50
Forum Fees	= \$ 3,375.00

Total Fees	= \$ 3,937.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 3,937.50

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

ARBITRATION PANEL

Robert Pincus, Esq.	-	Public Arbitrator, Presiding Chairperson
Tom L. Peterson, Esq.	-	Public Arbitrator
Jack A. Marshall	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

RP

Robert Pincus, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Tom L. Peterson, Esq.
Public Arbitrator

Signature Date

Jack A. Marshall
Non-Public Arbitrator

Signature Date

May 3, 2005

Date of Service (For NASD Dispute Resolution use only)

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Robert Pincus, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Tom L. Peterson, Esq.
Public Arbitrator

5/2/05

Signature Date

Jack A. Marshall
Non-Public Arbitrator

Signature Date

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Signature Date

Tom L. Peterson, Esq.
Public Arbitrator

Signature Date



Jack A. Marshall
Non-Public Arbitrator

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