

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Henry Saiontz, IRA

Case Number: 04-04744

Names of the Respondents
UBS Financial Services, Inc.
Isadore Friedman

Hearing Site: Baltimore, MD

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

REPRESENTATION OF PARTIES

Claimant, Henry Saiontz, IRA ("Claimant"), was represented by Thomas C. Costello, Esq., West & Costello, LLC, Baltimore, Maryland.

Respondents, UBS Financial Services, Inc. ("UBS") and Isadore Friedman ("Friedman"), hereinafter collectively referred to as "Respondents", were represented by Patricia M. Christiansen, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on July 1, 2004.

Claimant signed the Uniform Submission Agreement on June 24, 2004.

Statement of Answer filed by Respondents on August 25, 2004.

Respondent Friedman signed the Uniform Submission Agreement on July 23, 2004.

A representative of Respondent UBS executed the Uniform Submission Agreement on July 13, 2004.

CASE SUMMARY

Claimant asserted the following causes of action, among others: negligent misrepresentation, breach of contract, negligence, negligent supervision, and violation of the Maryland Securities Act. The causes of action relate to various stocks concentrated in the technology and telecommunications sectors.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: Claimant fails to state a claim upon which relief can be granted; voluntary assumption of the risk; Claimant is barred from recovery under the doctrines of ratification, estoppel, waiver, and laches; failure to mitigate damages; and economic, industry, corporate and market conditions were responsible for

Claimant's losses, if any.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the Arbitration Panel (the "Panel") dismiss the Statement of Claim, assess attorneys' fees and costs against Claimant, and recommend the expungement of all reference to this Statement of Claim from Respondent Friedman's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing Respondents submitted a Motion to Dismiss. Claimant submitted a response on August 15, 2005. The Panel granted the motion as to the Maryland Securities Act claim only.

At the hearing Respondents' counsel renewed the request for expungement of Respondent Friedman's CRD record. The Panel denied the request.

The Panel notes that, while a disciplinary referral is not appropriate in this matter, since Respondent Friedman is held out to the community by Respondent UBS as a skilled money manager, UBS should heighten its supervisory function with regard to Respondent Friedman.

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. All claims against Respondents Friedman and UBS are denied in their entirety;
2. All claims for attorneys' fees are denied in their entirety;
3. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein 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 = \$ 250.00

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 = \$1,500.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,200.00

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 a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: June 17, 2005 1 session

One (1) Pre-hearing session with Panel @ \$1,000.00 = \$1,000.00

Pre-hearing conference: December 15, 2004 1 session

Eight (8) Hearing sessions @ \$1,000.00 = \$8,000.00

Hearing Dates: July 25, 2005 2 sessions

July 26, 2005 2 sessions

July 27, 2005 2 sessions

July 28, 2005 2 sessions

Total Forum Fees = \$9,450.00

1. The Panel has assessed \$4,725.00 of the forum fees to Claimant.

2. The Panel has assessed \$4,725.00 of the forum fees to Respondent UBS.

SEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee = \$ 250.00

Forum Fees = \$4,725.00

Total Fees = \$4,975.00

Less payments = \$1,700.00

Balance Due NASD Dispute Resolution = \$3,275.00

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

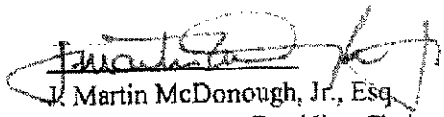
Member Fees	= \$4,450.00
Forum Fees	= \$4,725.00
Total Fees	= \$9,175.00
Less payments	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$4,725.00

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

ARBITRATION PANEL

J. Martin McDonough, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Richard E. Lauziere, CPA	-	Public Arbitrator, Panelist
Joan F. Smith, CFP	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


Martin McDonough, Jr., Esq.
Public Arbitrator, Presiding Chairperson

8/24/2005
Signature Date

Richard E. Lauziere, CPA
Public Arbitrator, Panelist

Signature Date

Joan F. Smith, CFP
Non-Public Arbitrator, Panelist

Signature Date

8/26/05
Date of Service (For NASD Dispute Resolution office use only)

08/24/2005 09:56 FAX 202 728 8082

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Case No.	04-04744	Case No.	04-04744
Case Name	NASD DR	Case Name	NASD DR
Case No.	202/728-8082	Case No.	301/855-4882
Case No.	301/855-4882	Case No.	301/855-4882

Concurring Arbitrators' Signatures

J. Martin McDonough, Jr., Esq.
 Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lauziere
 Richard E. Lauziere, CPA
 Public Arbitrator, Panelist

8-25-05
 Signature Date

Joan F. Smith, CFP
 Non-Public Arbitrator, Panelist

Signature Date

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NASD Dispute Resolution

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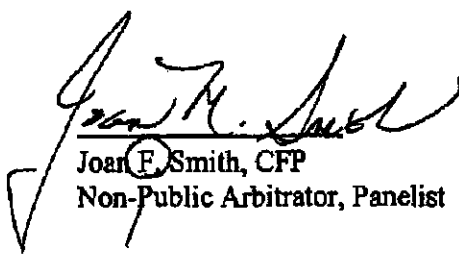
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Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lauziere, CPA
Public Arbitrator, Panelist

Signature Date



Joan F. Smith, CFP
Non-Public Arbitrator, Panelist

9-24-05
Signature Date

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