
Amended Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Arthur and Sylvia Howard

Case Number: 04-05120

Names of the Respondents
UBS PaineWebber Inc.
Susan Turner

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Arthur and Sylvia Howard, hereinafter collectively referred to as "Claimants": John R. Kiefner, Esq., Kiefner & Hunt, P.A., St. Petersburg, Florida.

For UBS PaineWebber Inc. ("UBS") and Susan Turner ("Turner"), hereinafter collectively referred to as "Respondents": Rebecca E. Swenson, Esq., Associate General Counsel, UBS Financial Services Inc., Fort Lauderdale, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 15, 2004.

Claimants signed the Uniform Submission Agreement: July 13, 2004.

Statement of Answer and Motion to Dismiss filed by Respondents on or about: October 29, 2004.

Respondent UBS signed the Uniform Submission Agreement: July 28, 2004.

Respondent Turner signed the Uniform Submission Agreement: August 3, 2004.

Reply to Respondents' Statement of Answer and Motion to Dismiss filed by Claimants on or about: November 18, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: 1) failure to supervise; 2) violations of Section 517.301, Florida Statutes; 3) negligence; 4) gross negligence; 5) breach of fiduciary duty; 6) common law fraud/fraud in the inducement; 7) violation of specific NASD Conduct Rules – negligence; and, 8) breach of contract. The causes of action relate to the purchase of municipal bonds in Claimants' account, including, but not limited to, Reedy Creek Impt. Dist., Miami Fl. Spl. Oblig., Hernando Cnty. FL SB, Lee Cnty. FL. Sch. Brd., Polk Cnty. FL. Sch. Brd., Palm Beach Gardens Fl and Jacksonville FL.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$57,000.00, statutory interest, punitive damages in the amount of \$171,000.00, costs and such other relief as the Panel deemed just and appropriate.

Respondents requested that the Statement of Claim be dismissed in its entirety, assessment of all forum fees against Claimants and an award of such other and further relief as the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 17, 2005, the parties notified NASD Dispute Resolution that they had settled this matter.

On or about January 19, 2005, the parties submitted to NASD Dispute Resolution a Motion for Entry of a Stipulated Award with a proposed Stipulated Award including a request for expungement of the NASD Central Registration Depository (the "CRD") record of Respondent Turner. The parties stated that they have settled their claims and Claimants have agreed to a Stipulated Award and dismissal of all their claims against Respondents, with prejudice. In addition, the parties submitted an Affidavit of Claimants wherein Claimants stated that the bonds at issue were suitable for them given their investment objective; that they did not intend to harm Respondent Turner by the filing of this claim; that the bonds were purchased as a result of a misunderstanding and not the result of a violation of any law or regulation; and, that they have decided to settle this matter. Claimants further stated that the amount of the settlement was not based in any part upon their willingness to provide the affidavit. Instead, given the circumstances, they do not believe that this claim should be included in Respondent Turner's NASD CRD record and, as such, believe that this matter should be expunged from Respondent Turner's NASD CRD record.

Prior to the execution of this Amended Stipulated Award Arbitrator Richard Lee Ashton passed away. Pursuant to this, on or about August 8, 2005, the parties notified NASD Dispute Resolution that they mutually agree to have the Amended Stipulated Award executed by the remaining Arbitrators only.

The parties have agreed that the Stipulated Award in this matter may be entered in counterpart copies or that a signed handwritten Stipulated Award may be entered.

AWARD

After considering the pleadings, the Motion for Entry of a Stipulated Award with proposed Stipulated Award and request for expungement with Affidavit of Claimants, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Based upon the affidavit that was filed by Claimants, the Panel finds that Respondent Turner did not engage in sales practices in violation of Florida statutes and the common law *and, thus, was not involved in the alleged investment-related sales practice violation. The Panel further finds, based on Respondent Turner's affidavit, that the claim is clearly erroneous.* Therefore, the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Turner's registration records maintained by the NASD CRD, with

the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Turner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 = \$ 300.00

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, Respondent UBS is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Adjournment Fees

No requests for adjournments were filed in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No cancellation fees were assessed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

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:

One (1) Pre-hearing session with the Panel @ \$1,125.00 = \$ 1,125.00

Pre-hearing conference: November 16, 2004 1 session

Total Forum Fees = \$ 1,125.00

The Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.

The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent UBS is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$	562.50
Total Fees	= \$	562.50
Less payments	= \$	562.50
Balance Due NASD Dispute Resolution	= \$	0.00

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

ARBITRATION PANEL

Darryl C. Wilson, Esq.
James E. Lapidés

- *Public Arbitrator, Presiding Chairperson*
- *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

/s/
Darryl C. Wilson, Esq.
Public Arbitrator, Presiding Chairperson

08/09/05
Signature Date

/s/
James E. Lapidés
Non-Public Arbitrator

08/12/05
Signature Date

08/12/05
Date of Service (For NASD Dispute Resolution office use only)

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No administrative costs were incurred during this proceeding.

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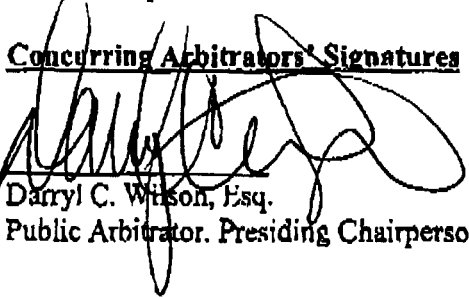
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Darryl C. Wilson, Esq.
James E. Lapidus

- Public Arbitrator, Presiding Chairperson
- Non-Public Arbitrator

Concurring Arbitrators' Signatures


Darryl C. Wilson, Esq.
Public Arbitrator, Presiding Chairperson

8/9/05
Signature Date

NASD Dispute Resolution

Arbitration No.04-05120

Stipulated Award Page 5

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James E. Lapidus

Non-Public Arbitrator

8/12/05

Signature Date

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

Stipulated Award
NASD Dispute Resolution

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ARBITRATION PANEL

Darryl C. Wilson, Esq.	-	Public Arbitrator, Presiding Chairperson
Richard Lee Ashton	-	Public Arbitrator
James E. Lapidés	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Darryl C. Wilson, Esq.
Public Arbitrator, Presiding Chairperson

01/27/05
Signature Date

/s/
Richard Lee Ashton
Public Arbitrator

01/27/05
Signature Date

/s/
James E. Lapidés
Non-Public Arbitrator

02/02/05
Signature Date

02/03/05
Date of Service (For NASD Dispute Resolution office use only)

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ARBITRATION PANEL

Darryl C. Wilson, Esq.

Richard Lee Ashton

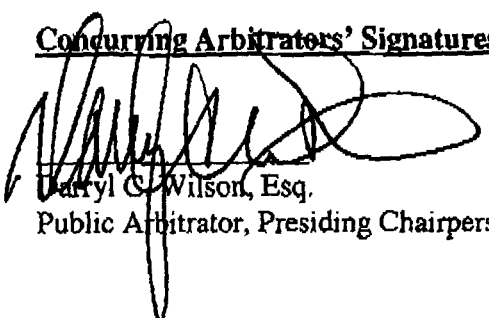
James E. Lapidès

- Public Arbitrator, Presiding Chairperson

- Public Arbitrator

- Non-Public Arbitrator

Concurring Arbitrators' Signatures


Darryl C. Wilson, Esq.

Public Arbitrator, Presiding Chairperson

1/27/05
Signature Date

NASD Dispute Resolution

Arbitration No.04-05120

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Richard Lee Ashton

Richard Lee Ashton

Public Arbitrator

Jan. 27, 2005

Signature Date

James E. Lapidés

James E. Lapidés

Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution
Arbitration No. 04-05120
Stipulated Award Page 5

Richard Lee Ashton
Public Arbitrator


James E. Lapidis
Non-Public Arbitrator

Signature Date

2/2/05
Signature Date

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