

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Silvia Radulescu

Case Number: 04-08573

Names of the Respondents
Stanford Group Company
UBS Financial Services, Inc. f/k/a
UBS PaineWebber, Inc.
UBS International, Inc.
Wallstreet Electronica, Inc.
Pedro Penzini
Cecilia Gonzalez
Rafael Avila
Carlos F. Otalvaro
Carlos N. Otalvaro

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Silvia Radulescu, hereinafter referred to as "Claimant": Russell L. Forkey, Esq.,
Russell L. Forkey, P.A., Fort Lauderdale, Florida.

For Respondent Stanford Group Company ("Stanford"): Ronald D. Shindler, Esq.,
Fowler White Burnett, P.A., Miami, Florida.

For Respondents UBS Financial Services, Inc. f/k/a UBS PaineWebber, Inc. ("UBSFS")
and UBS International, Inc. ("UBSI"): Laura J. Starr, Esq. and Peter J. Aldrich, Esq.,
Peter J. Aldrich, P.A., Palm Beach Gardens, Florida.

For Respondents Wallstreet Electronica, Inc. ("Wallstreet") and Carlos F. Otalvaro: Alan
M. Wolper, Esq. and Myra Mormile, Esq., Sutherland, Asbill & Brennan, LLP, Atlanta,
Georgia.

Respondent Carlos N. Otalvaro appeared pro se through August 1, 2005. Thereafter,
he was represented by: Alan M. Wolper, Esq. and Myra Mormile, Esq., Sutherland,
Asbill & Brennan, LLP, Atlanta, Georgia.

For Respondent Pedro Penzini ("Penzini"): Elio F. Martinez, Esq., Conception &
Associates, P.A., Coral Gables, Florida.

For Respondent Cecilia Gonzalez ("Gonzalez"): Melanie S. Cherdack, Esq. and
Jonathan Perlman, Esq., Genovese, Joblove and Battista, P.A., Miami, Florida.

Respondent Rafael Avila ("Avila") appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about: December 21, 2004.
Claimants signed the Uniform Submission Agreement: December 3, 2004.
Preliminary Answer and Motion to Dismiss filed by Respondent UBSFS on or about: February 28, 2005.
Respondent UBSFS signed the Uniform Submission Agreement: January 4, 2005.
Motion to Dismiss and Statement of Answer filed by Respondent Stanford on or about: February 25, 2005.
Respondent Stanford did not file an executed Uniform Submission Agreement.
Statement of Answer and Motion to Dismiss filed by Respondent Wallstreet on or about: February 6, 2005.
Respondent Wallstreet did not file an executed Uniform Submission Agreement.
Statement of Answer and Joinder in Motion to Dismiss filed by Respondent Penzini on or about: March 8, 2005.
Respondent Penzini signed the Uniform Submission Agreement: March 7, 2005.
Statement of Answer filed by Respondent Gonzalez on or about: February 24, 2005.
Respondent Gonzalez signed the Uniform Submission Agreement: January 31, 2005.
Motion for Leave to File Amended Statement of Claim and to Add Parties filed by Claimants on or about: August 24, 2005.
Amended Statement of Claim filed on or about: August 24, 2005.
Motion to Dismiss Amended Statement of Claim filed by Respondent Carlos N. Otalvaro on or about: June 9, 2005.
Response to Respondent Carlos N. Otalvaro's Motion to Dismiss filed by Claimants on or about: June 23, 2005.
Reply in Support of Motion to Dismiss filed by Respondent Carlos N. Otalvaro on or about: June 28, 2005.
Statement of Answer and Motion to Dismiss Amended Statement of Claim filed by Respondents Wallstreet and Carlos F. Otalvaro on or about: June 27, 2005.
Statement of Answer to Amended Statement of Claim filed by Respondent Gonzalez on or about: June 29, 2005.
Statement of Answer to Amended Statement of Claim and Motion to Dismiss filed by Respondents UBSFS and UBSI on or about: July 1, 2005.
Claimants' Response to Motion to Dismiss filed by Respondents Wallstreet and Carlos F. Otalvaro filed on or about: July 19, 2005.
Motion to Dismiss and Statement of Answer to Amended Statement of Claim filed by Respondent Stanford on or about: August 9, 2005.
Respondent Avila did not file a Statement of Answer or executed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action against Respondents: 1) fraud; 2) failure to supervise; and 3) unsuitability. The causes of action relate to withdrawals and transfers of Claimant's funds and various purchases in the Hudson Capital mutual fund and QPH Financial accounts.

Unless specifically admitted in its Answer, Respondent Stanford denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses.

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

Unless specifically admitted in their Answer, Respondents Wallstreet and Carlos F. Otalvaro denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses.

Unless specifically admitted in his Answer, Respondent Penzini denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses.

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

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$300,000.00; 2) interest; 3) costs; 4) punitive damages in the amount of \$100,000.00; and 6) such other relief as the undersigned arbitrators (the "Panel") deemed appropriate.

Respondent Stanford requested that the Panel: 1) grant its Motion to Dismiss; 2) dismiss the claim against Stanford in its entirety; 3) assess fees and expenses of this forum, including all NASD member fees against Claimant; and 4) grant such other and further relief as deemed just and proper.

Respondents UBSFS and UBSI requested that the Panel enter an award in their favor on the merits of this action, along with attorneys' fees pursuant to Sections 57.105 and 684.19 Fla. Stat., costs and such other relief as the Panel deemed necessary.

Respondents Wallstreet and Carlos F. Otalvaro requested that the Panel enter an award: 1) dismissing Claimant's claim in its entirety; 2) granting their request for reasonable costs and expenses²; and 3) such other and further relief as the Panel deemed proper.

Respondent Penzini requested that the Statement of Claim be dismissed, with costs assessed against Claimant.

Respondent Gonzalez requested: 1) dismissal of Claimants' claim in its entirety; 2) fees and costs of this proceeding; 3) reasonable attorneys' fees; and 4) expungement of this matter from her records maintained by the NASD Central Registration Depository ("CRD").

Respondent Carlos N. Otalvaro requested that the Panel dismiss him from this

proceeding due to lack of jurisdiction by NASD Dispute Resolution ("NASD").

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Avila did not file with NASD a properly executed Uniform Submission Agreement, did not Answer the Statement of Claim or appear. Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Avila has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

On or about December 1, 2005, the Panel issued an Order granting Claimant's Motion for Leave to File Amended Statement of Claim and to Add Parties.

On or about January 24, 2006, Claimant dismissed the claims against Respondent UBS with prejudice.

On or about February 7, 2006, Claimant dismissed the claims against Respondent UBSI with prejudice.

On or about April 10, 2006, Claimant dismissed the claims against Respondent Gonzalez with prejudice.

On or about April 26, 2006, Claimant dismissed the claims against Respondents Wallstreet, Carlos F. Otalvaro and Carlos N. Otalvaro.

Prior to the final evidentiary hearing, the remaining parties fully and finally settled all claims by and between them and submitted a Stipulated Award to the Panel for its consideration.

On or about January 22, 2007, the Panel issued an Order granting the parties' request for expungement of this matter from Respondent Carlos F. Otalvaro's NASD CRD record and Stipulated Award in this matter.

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

AWARD

After considering the pleadings and the Stipulated Award submitted by the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have amenablely resolved their differences and have requested this Stipulated Award.
2. All claims against all Respondents, including Respondents Wallstreet, Carlos F. Otalvaro and Carlos N. Otalvaro, are dismissed with prejudice.

3. Pursuant to Rule 2130 of the Code, the Panel affirmatively finds that (1) the claims, allegation, or information are clearly erroneous; and (2) neither Carlos Francisco Otalvaro nor Carlos Noe Otalvaro were involved in any investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds. In support of this finding, the Panel relies upon Respondents' Answer and Amended Answer and any exhibits attached thereto, Claimant's affidavit, and the affidavit of Respondent Carlos F. Otalvaro.

4. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Carlos F. Otalvaro's registration records maintained by NASD CRD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Carlos F. Otalvaro must obtain confirmation from a court of competent jurisdiction before NASD CRD will execute the expungement directive.

5. Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

6. The parties shall bear their respective costs, including attorneys' fees, except as fees are specifically addressed below; and

7. Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are denied in their 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	=	\$ 300.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondents Stanford, UBSFS, UBSI and Wallstreet are parties and member firms.

Respondent Stanford's Member Fees

Member surcharge	=	\$1,700.00
Pre-hearing process fee	=	\$ 750.00
Hearing process fee	=	\$2,750.00
Total Member Fees	=	\$5,200.00

Respondent UBSFS' Member Fees

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

Total Member Fees	=	\$5,200.00
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Respondent USBI's Member Fees

Member surcharge	=	\$1,700.00
Pre-hearing process fee	=	\$ 750.00
Hearing process fee	=	\$2,750.00
Total Member Fees	=	\$5,200.00

Respondent Wallstreet's Member Fees

Member surcharge	=	\$1,700.00
Pre-hearing process fee	=	\$ 750.00
Hearing process fee	=	\$2,750.00
Total Member Fees	=	\$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:
No adjournment fees were assessed during these proceedings.

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:

The Panel has assessed a three-day cancellation fee of \$300.00 as follows:

\$150.00 to Claimant.

\$150.00 to Respondents Stanford, Penzini and Avila, jointly and severally.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The arbitration Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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 per session	=	\$2,250.00
Pre-hearing conferences: June 10, 2005 1 session		
August 29, 2005 1 session		
Total Forum Fees	=	\$2,250.00

The Panel has assessed \$1,125.00 of the forum fees to Claimant.

The Panel has assessed \$1,125.00 of the forum fees to Respondents Stanford, UBSFS, UBSI, Wallstreet, Penzini, Gonzalez, Avila, Carlos F. Otalvaro and Carlos N. Otalvaro are jointly and severally.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were assessed during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Three-day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,575.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 150.00

Respondent Stanford 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

Respondent UBSFS 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

Respondent UBSI is solely liable for:

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

Respondent Wallstreet 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 Stanford, Penzini and Avila are jointly and severally liable for:

Three-day Cancellation Fee	= \$ 150.00
Total Fees	= \$ 150.00

<u>Less Payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 150.00

Respondents Stanford, UBSFS, UBSI, Wallstreet, Penzini, Gonzalez, Avila, Carlos F. Otalvaro and Carlos N. Otalvaro are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,125.00
<u>Total Fees</u>	= \$ 1,125.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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

ARBITRATION PANEL

Manuel A. Hofferaman	-	Public Arbitrator, Presiding Chairperson
Nancy J. Cliff, Esq.	-	Public Arbitrator
Robert M. Schwedel	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Manuel A. Hofferaman
Public Arbitrator, Presiding Chairperson

January 22, 2007
Signature Date

/s/
Nancy J. Cliff, Esq.
Public Arbitrator

January 23, 2007
Signature Date

/s/
Robert M. Schwedel
Non-Public Arbitrator

January 24, 2007
Signature Date

January 24, 2007
Date of Service (For NASD Dispute Resolution Office use only)

<u>Less Payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	150.00

Respondents Stanford, UBSFS, UBSI, Wallstreet, Penzini, Gonzalez, Avila, Carlos F. Otalvaro and Carlos N. Otalvaro are jointly and severally liable for:

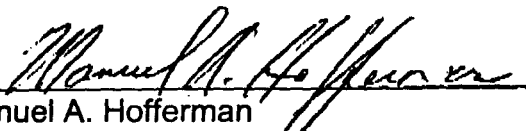
<u>Forum Fees</u>	= \$	1,125.00
<u>Total Fees</u>	= \$	1,125.00
<u>Less payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	1,125.00

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

ARBITRATION PANEL

Manuel A. Hofferma	-	Public Arbitrator, Presiding Chairperson
Nancy J. Cliff, Esq.	-	Public Arbitrator
Robert M. Schwedel	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Manuel A. Hofferma
Public Arbitrator, Presiding Chairperson

1/22/07

Signature Date

Nancy J. Cliff, Esq.
Public Arbitrator

Signature Date

Robert M. Schwedel
Non-Public Arbitrator

Signature Date

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

Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 150.00

Respondents Stanford, UBSFS, UBSI, Wallstreet, Penzini, Gonzalez, Avila, Carlos F. Otaivaro and Carlos N. Otaivaro are jointly and severally liable for:

Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,125.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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

ARBITRATION PANEL

Manuel A. Hofferaman	-	Public Arbitrator, Presiding Chairperson
Nancy J. Cliff, Esq.	-	Public Arbitrator
Robert M. Schwedel	-	Non-Public Arbitrator

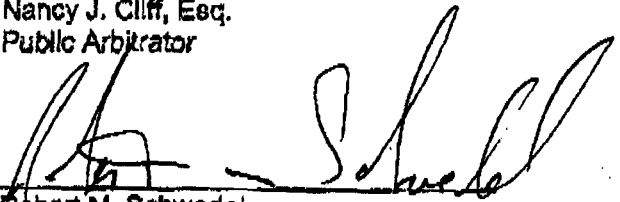
Concurring Arbitrators' Signatures

Manuel A. Hofferaman
Public Arbitrator, Presiding Chairperson

Signature Date

Nancy J. Cliff, Esq.
Public Arbitrator

Signature Date



Robert M. Schwedel
Non-Public Arbitrator

1-23-07

Signature Date

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

<u>Less Payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 150.00

Respondents Stanford, UBSFS, UBSI, Wallstreet, Penzini, Gonzalez, Avila, Carlos F. Otaivaro and Carlos N. Otaivaro are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,125.00
<u>Total Fees</u>	= \$ 1,125.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,125.00

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

ARBITRATION PANEL

Manuel A. Hofferaman	-	Public Arbitrator, Presiding Chairperson
Nancy J. Cliff, Esq.	-	Public Arbitrator
Robert M. Schwedel	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Manuel A. Hofferaman
Public Arbitrator, Presiding Chairperson

Nancy J. Cliff, Esq.
Public Arbitrator

Robert M. Schwedel
Non-Public Arbitrator

Signature Date

1/24/07
Signature Date

Signature Date

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