

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

PaineWebber, Inc.

Claimant

vs.

Terry L. Ermert and
Olina K. Ermert

Respondents

AWARD

CASE NO. 87-02502

SUMMARY OF ISSUES

The claim was filed with the NASD on or about December 8, 1987. The hearing was conducted in San Francisco, California, with a total of two sessions. Claimant ("PaineWebber") asserted that Respondents ("Terry and Olina Ermert") owe PaineWebber the amount of \$30,210.56 plus interest thereon as the unpaid debit balance on the Respondents' PaineWebber account. Respondents deny this claim. Respondents claim that PaineWebber sold out the account without prior notice resulting in loss of the Tiger International stock. Claimant denies Respondents' claim and denies that Respondents have suffered any loss.

DAMAGES AND RELIEF REQUESTED

Claimant requests:

1. Damages of \$30,210.56 for the debit balance.
2. Interest from October 30, 1987.
3. Filing fee.

Respondents' Counterclaim requests:

1. Damages of approximately \$20.00 per share as of the consummation of a merger with Federal Express.

DAMAGES AND RELIEF AWARDED

On July 25, 1989, in San Francisco, California, the undersigned arbitrators heard in two sessions the controversy between the parties as set forth in submissions to arbitration signed by Claimant on December 8, 1987 and by Respondents on March 3, 1988. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$30,210.56 for the debit balance.

2. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$5,230.97 for interest on the above-referenced debt balance.

3. Each and every Counterclaim is dismissed.

4. The parties shall each bear their respective costs including attorneys' fees.

5. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimant.

6. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the arbitrators assess forum fees as follows:

a) Claimant is assessed and shall pay to the NASD the sum of \$200.00 which has already been satisfied by its initial filing fee deposit.

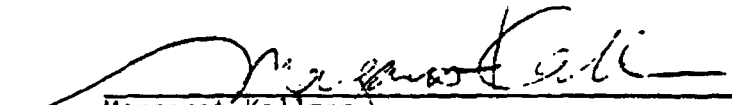
b) Respondents are jointly and severally assessed and shall pay to the NASD the sum of \$200.00.

OTHER ISSUES

None applicable.

ARBITRATORS CONCURRING

DATE SERVED: 08/16/89


Margaret Kallman

Bertram H. Snaughnessy

Edward H. Sanborn IV