

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Daniel J. and Janet M. Alessio

Claimants

vs.

PaineWebber, Inc.

Respondent

CASE #88-03582
AWARD

CASE SUMMARY

Claimants contend that Respondent exercised poor judgment and incompetence in directing their account during the period of June, 1987 through October, 1987, specifically by engaging in unauthorized trading and by excessively concentrating Claimants' portfolio in two particular securities ("the subject securities"). Respondent denies the allegations of poor judgment and incompetence and contends that even if some trades in Claimants' account were unauthorized, all trades were ratified by Claimants; Respondent specifically contends that all of the trades in the subject securities were authorized and approved by Claimants.

RELIEF REQUESTED

Claimants request that the Panel award them \$65,000.00 in compensatory damages and \$15,000.00 for loss of potential earnings. Respondent requests that the Panel dismiss the claim and assess costs against Claimants.

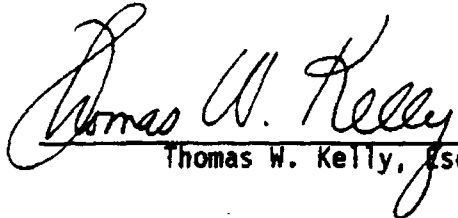
AWARD

On July 25, 1989, the undersigned arbitrators heard the controversy in New York, NY between the parties as set forth in submissions to arbitration signed by Claimants Daniel J. and Janet M. Alessio on November 16, 1988, and by Respondent PaineWebber, Inc. on January 31, 1989. 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. All claims asserted by Claimants are hereby dismissed in their entirety.
2. The parties shall each bear their respective costs including attorneys' fees.

3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain \$250.00 of the \$500.00 filing fee previously deposited by the Claimants, and shall assess Respondent \$250.00 in forum costs which shall be made payable to the National Association of Securities Dealers, Inc.

ARBITRATORS CONCURRING


Thomas W. Kelly, Esq.


Michael S. Blass, Esq.


Jack Friedman, Esq.

DATED: July 31, 1989