

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)
EDWARD STANTON MAXEY, M.D.)
Claimant(s))
and)
PAINWEBBER, INC.)
Respondent(s))

CASE NO. 88-03699

CASE SUMMARY

In a claim filed with the NASD on or about March 16, 1989, Claimant Edward Stanton Maxey, M.D. ("Claimant") alleged that Respondent PaineWebber, Inc. by and through its employee George Allen executed unauthorized trades in his account. Claimant specifically alleged that George Allen executed a short sale of five (5) commodity future contracts of Soybeans without claimants authorization.

In its answer filed with the NASD on or about May 1, 1989 Respondent PaineWebber, Inc. ("Respondent") stated that Claimant fully discussed the trade in question prior to initiating the position. Respondent denied that the purchase of five (5) commodity future contracts of Soybeans on May 10, 1988 was unauthorized. Respondent stated that the losses in Claimants account, if any, were due solely to adverse market movement and not due to unauthorized or inappropriate trading.

RELIEF REQUESTED

Claimant requested an award in the amount of \$91,162.50.

Respondent requested that the Statement of Claim be dismissed in its entirety with costs assessed against Claimant.

AWARD

On Wednesday, June 27, 1990 in Little Rock, Arkansas during a hearing lasting two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on March 9, 1989 by Claimant Edward Stanton Maxey, M.D., on April 27, 1989 by John A. Borge on behalf of Respondent PaineWebber, Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim shall be and hereby is dismissed in its entirety;
2. Each party shall bear its own costs and expenses including attorneys fees incurred in this matter not specifically enumerated herein; and
3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$500.00 filing fee previously deposited with the NASD by the Respondent PaineWebber, Inc.

By the Panel

Dated: June 27, 1990 /S/ Thomas A. Prince
Presiding Chair

Dated: June 27, 1990 /S/ Frederick J. Menz

Dated: June 27, 1990 /S/ Patrick A. Burrow

Date Served: July 2, 1990