

In the Matter of the Arbitration Between

HAYDEN MCILROY

Claimant(s)

Case No. 89-02049

and

PAINEWEBBER, INC.

Respondent(s)

CASE SUMMARY

Hayden McIlroy ("Claimant") alleged that PaineWebber, Inc.:

1. misrepresented and omitted certain material facts regarding Sooner Federal Savings and Loan Association Securities ("Sooner securities") to the Claimant;
2. breached its duty to the Claimant by selling its own portfolio of Sooner securities before selling the Claimant's securities;
3. failed to execute the Claimant's order to sell off his position in Sooner securities; and
4. is liable for violations of federal and state securities laws and breach of contract.

Respondent denied the claims of the Claimant and further counterclaimed that Claimant was liable to the Respondent for the debit balance which exists in the Claimant's account.

RELIEF REQUESTED

Claimant requested damages in the approximate amount of \$1,033,750, plus punitive damages, interest, attorneys' fees, and costs.

Respondent requested that the claims of the Claimant be dismissed and that it be awarded \$71,006.96 plus interest, attorneys' fees, and costs.

AWARD

On July 12, 1989 the NASD received the Claimant's claim.

On April 6, 1990 and May 31, 1990, during a hearing lasting four sessions in Dallas, Texas, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on July 5, 1989 by the Claimant, and on September 1, 1989 by Terry L. Mills on behalf of the Respondent.

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 Respondent shall be liable for and shall pay to the Claimant Forty Thousand Eight Hundred Seventy Five Dollars and No Cents (\$40,875);
2. The counterclaim asserted by the Respondent is hereby dismissed;
3. The parties shall bear their own costs including attorneys' fees; and
4. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund as forum fees, the \$1000.00 filing fee previously deposited with the NASD by the Claimant and the Respondent shall pay \$4,000 to the NASD as forum fees.

By the Panel

Dated: 7/2/90

/S/

[Signature]  
Presiding Chair

Dated: 6-30-90

/S/

[Signature]

Dated: 7/2/90

/S/

[Signature]