



Arbitration

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant:

PaineWebber, Inc.

90-03575

Name of Respondent:

Baron Holdings Company

REPRESENTATION

For Claimant: Edward Werner, Esq., in house counsel at PaineWebber, Inc. ("PaineWebber").

For Respondent: Mr. Mark Sando was the designated corporate representative.

CASE INFORMATION

Claimant filed a Statement of Claim on December 17, 1990 and an Amended Statement of Claim on November 13, 1991. Claimant executed a Submission Agreement on December 17, 1990.

Respondent did not file a Statement of Answer nor execute a Submission Agreement. However, Respondent did sign a customer agreement with Claimant on February 5, 1990 agreeing to arbitrate any dispute between it and Claimant.

HEARING INFORMATION

Pre-Hearing Conference: None.

Hearing Date/Sessions: December 13, 1991 - one session.

Hearing Location: Southfield, Michigan.

CASE SUMMARY

Claimant alleged that in January of 1990, Mr. Mark Sando, as the President of Respondent, opened a securities account at Claimant's branch office in New York, New York. On May 24, 1990, Claimant alleged that Mr. Sando, acting on behalf of Respondent, placed a market order for 10,000

shares of Curragh Resources. On May 31, 1991, Claimant further alleged that Mr. John Tobin, the investment executive contacted Mr. Sando and requested payment. Despite several subsequent requests, Mr. Sando did not pay for the stock. On June 11, 1990, Claimant liquidated the account, leaving an unsecured debit balance.

RELIEF REQUESTED

Claimant requested compensatory damages of \$12,143.87, interest from June 11, 1990 and costs.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that a handwritten, signed Award may be entered. In this case, the parties have agreed to receive a conformed copy of the Award while the original remains on file with the NASD.

Prior to the hearing, the arbitrator ruled that a witness for the Claimant would be permitted to testify telephonically.

At the hearing, the arbitrator made the following rulings with respect to the Respondent:

In accordance with Section 1 of the NASD Code of Arbitration Procedure ("Code") the panel ruled that it had jurisdiction over Respondent;

In accordance with Section 25 of the Code, Respondent was served with the Statement of Claim and given an opportunity to respond which it failed to do;

In accordance with Section 21 and Section 26 of the Code, Respondent was given due notice of the hearing procedure by regular and certified mail and failed to appear at the hearing;

In accordance with Section 29 of the Code, the arbitration panel determined in light of the foregoing information to proceed with Respondent as a party.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. That the Respondent is liable and shall pay to the Claimant the sum of \$12,143.87 plus simple interest at the rate of 6% from December 17, 1990 to the date of payment of the award.

Page Three
Award No. 90-03575

2. That each side is to bear its own costs, including attorney's fees.

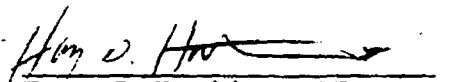
FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD will retain the Claimant's \$300.00 hearing session deposit for forum fees.

The Respondent is directed to reimburse the Claimant \$300.00 for the hearing session deposit it previously paid.

The NASD will retain the Claimant's \$500.00 non refundable claim filing fee.

Arbitrator's Signature:


Harry G. Hutchison, IV
Public Arbitrator/Chairperson

Date of Decision: January 22, 1992