

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant:

PaineWebber, Inc.

91-00444

Name of Respondent:

Hoyt Construction, Inc.

REPRESENTATION

For Claimant: Ed Werner, Esq., in house counsel.

For Respondent: Dennis Hoyt, Corporate representative for Hoyt Construction, Inc.

CASE INFORMATION

Claimant PaineWebber, Inc. executed a submission agreement on February 6, 1991. It filed a Statement of Claim dated February 6, 1991 and a Response to Respondent's Counterclaim dated May 9, 1991.

Respondent Hoyt Construction, Inc. executed a submission agreement on March 19, 1991 and filed an answer and counterclaim dated March 19, 1991.

HEARING INFORMATION

Hearing Date/Sessions: July 31, 1991: one session.

Hearing Location: Southfield, Michigan

CASE SUMMARY

Claimant alleged that Respondent Hoyt Construction, Inc. opened a margin account with PaineWebber, Inc. in March of 1990. Claimant further alleged that between March and September of 1990, Respondent placed various orders with Claimant on margin including the purchase orders for Tuboscope Corporation stock and warrants for Baker Hughes, Inc. stock. Claimant executed these orders. Respondent's account now has a debit balance of \$2,193.73.

Respondent alleged that several stocks were purchased without its consent. Respondent further alleged that it notified the account representative that it did not want to invest in any more stocks, and instead wanted to close its account.

RELIEF REQUESTED

Claimant requested damages of \$2,193.73 together with interest from October 1, 1990 and costs for attending the arbitration in Southfield, Michigan.

Respondent requested that it be reimbursed for all funds lost by PaineWebber as a result of the sale of the Tuboscope Corporation stock.

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 Respondent Hoyt Construction, Inc. is liable and shall pay to the Claimant PaineWebber, Inc. \$1,143.73; exclusive of interest.
2. That Respondent Hoyt Construction, Inc.'s counterclaim is dismissed in its entirety; and
3. That each side is to bear its own costs and attorney fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, Forum Fees of \$300.00 for one hearing session are assessed.

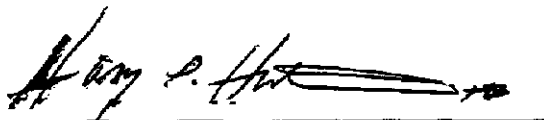
Claimant PaineWebber, Inc. is assessed \$150.00. This amount will be deducted from the \$300.00 hearing session deposit previously paid. Therefore, Claimant will receive a refund of \$150.00 from the NASD.

Respondent Hoyt Construction, Inc. is assessed \$150.00. This amount will be deducted from the \$200.00 hearing session deposit paid on its counterclaim. Therefore, Respondent will receive a refund of \$50.00 from the NASD.

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The NASD will retain Claimant PaineWebber, Inc.'s \$500.00 non-refundable claim filing fee, and Respondent's \$75.00 non-refundable claim filing fee.

Concurring Arbitrator's Signature:

A handwritten signature in dark ink, appearing to read "Harry G. Hutchison, IV", is written over a horizontal line.

Harry G. Hutchison, IV
Public Arbitrator

Date of Decision: August 22, 1991