

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 Claimants**

Betty M. Foley, Individually and the Betty M. Foley Trust,
Dated December 6, 1969, and Betty M. Foley, Trustee

91-01956

Name of Respondents

PaineWebber, Inc.
Daniel Kramer
Thomas Ensor, IV

REPRESENTATION

For Claimants Betty M. Foley et al. ("Claimants"): Eric R. Bryen, a sole practitioner.

For Respondents PaineWebber, Inc. ("PW"), Daniel Kramer ("Kramer") and Thomas Ensor, IV ("Ensor"): Patrick J. Howley, of PW.

CASE INFORMATION

Statement of Claim filed: June 21, 1991.

Claimants' Submission Agreement signed on: June 21, 1991.

Joint Statement of Answer filed by Respondents PW, Kramer and Ensor on: September 12, 1991.

Respondent, PW's Submission Agreement signed on: September 12, 1991.

Respondents Kramer and Ensor did not executed Submission Agreements, as required, pursuant to Section 12 of the Code of Arbitration Procedure; however, both Respondents stated they attended the hearing voluntarily and agreed to abide by this panel's rulings and determinations.

HEARING INFORMATION

Hearing Date/Sessions: February 5, 1992/2 sessions.

Hearing Location: Southfield, MI.

CASE SUMMARY

Claimants alleged Respondents churned their mutual funds account; violated the prudent investor guidelines of diversifying investments; violated the "Know Your Customer Rule"; failed to analyze the suitability of Claimants' investments; made material misstatements; and that Respondent PW failed to supervise Respondents Kramer and Ensor.

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Respondents denied Claimants' allegation of churning; alleged that the recommendation of the mutual funds was a suitable investment; denied that Respondents violated any rules of the NYSE; stated that Kramer and Ensor were properly supervised by FW; and stated that no material misstatements were made.

RELIEF REQUESTED

Claimants requested: actual damages in the amount of \$34,791.52 plus interest from April 30, 1991; costs and attorneys' fees.

Respondents requested: this matter be dismissed in its entirety and costs.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remains on file with the NASD.

1- Pursuant to the by-laws of the NASD, the arbitration panel determined that Respondents Kramer and Ensor were required to submit to this arbitration and, therefore, are bound by this panel's rulings and determinations.

AWARD

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

- 1- Respondent FW is liable and shall pay to Claimants the sum of SIXTEEN THOUSAND 00/100 DOLLARS (\$16,000.00);
- 2- Claimant's claims against Respondents Kramer and Ensor are denied;
- 3- All other claims are dismissed;
- 4- The parties shall each bear their own costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$120.00 non-refundable filing fee previously deposited by Claimants and the following Forum Fees are assessed.

2 sessions X \$400.00 = \$800.00

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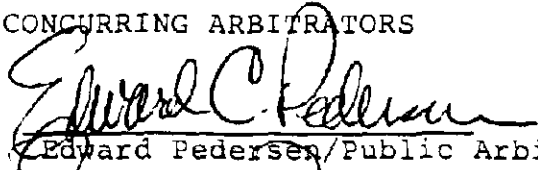
Forum fees Assessed Against:

1- Respondent FW in the amount of \$800.00. FW shall reimburse Claimants the sum of \$400.00 to represent the hearing session deposit. Therefore, the amount due and owing to the NASD equals \$400.00.

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Fees are payable to the National Association of Securities
Dealers, Inc.

CONCURRING ARBITRATORS


Edward Pedersen/Public Arbitrator


Richard Potter/Public Arbitrator


Brace Case/Industry Arbitrator

Date: February 10, 1992