

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Ronald B. Thompson

Claimant

CASE #91-02728
AWARD

vs.

PaineWebber, Inc.
Kenneth Hess

Respondents

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 3, 1991, Claimant Ronald B. Thompson, who appeared Pro Se, alleged that Respondents PaineWebber, Inc. and Kenneth Hess sold ICOS Corp stock out of his account without authorization and that the PaineWebber, Inc. branch manager, Ken Gaede reviewed the file and concluded that the broker acted appropriately and in accordance with Mr. Thompson's investment strategy, when in fact he never discussed price strategy on any of his holdings.

Respondents, PaineWebber, Inc. and Kenneth Hess, through their counsel Scott Ratchick, Esq., maintained that the sale was made in accordance with the Claimant's instructions and that the Claimant had discussed investment strategies with Hess, and that they had agreed the stock would be sold at 1 1/2 point profit.

RELIEF REQUESTED

Claimant, Ronald B. Thompson requested the return of 1,000 shares of ICOS stock to be placed in his account, plus \$2,000.00 in damages for costs and time spent, as well as reimbursement of the NASD filing fee.

Respondents, PaineWebber, Inc. and Kenneth Hess requested the claims of the Claimant be dismissed, and that they be awarded attorney's fees and costs.

AWARD

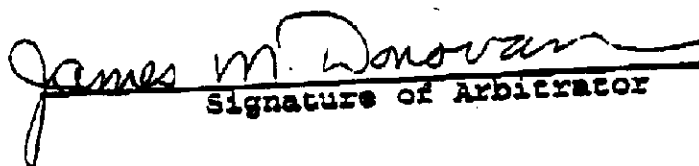
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, James M. Donovan, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 26, 1991, by the Respondent, PaineWebber, Inc. on October 28, 1991 and by Respondent, Kenneth Hess on November 19, 1991.

And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant, Ronald B. Thompson against Respondents, PaineWebber, Inc. and Kenneth Hess are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, JAMES M. DONOVAN, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.


Signature of Arbitrator

DATE OF DECISION: 14 May 1992
Los Angeles, California