

N.A.S.D. AWARD

COPY

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

PaineWebber, Inc.

and

92-02596

Name of Respondent

Robert L. Link

REPRESENTATION OF PARTIES

PaineWebber, Inc. ("Claimant") was represented by Nicholas L. DiVita, and Lisa Henoch, Esq. of Bryan Cave, Kansas City, MO.

Robert L. Link ("Respondent") was represented by Frank Susman, Esq. and Gregory K. Allsberry, Esq. of Susman, Schermer, Rimmel & Shifrin, St. Louis, MO.

CASE INFORMATION

The Statement of Claim was filed on or about August 4, 1992. Reply to Counterclaim was dated November 10, 1992. Submission Agreement of Claimant was signed on July 29, 1992 by Joseph F. Generelli.

Statement of Answer and Counterclaim was filed by Respondent on or about October 21, 1992. Submission Agreement of Respondent was signed on October 16, 1992.

HEARING INFORMATION

A pre-hearing conference was held on Monday, April 11, 1994 for one (1) session with Edwin R. Cohen, Esq. presiding. The hearing was held on Wednesday, April 13, 1994 for two (2) sessions and Thursday, April 14, 1994 for two (2) sessions in St. Louis, Missouri for a total of four (4) hearing and one (1) pre-hearing sessions.

CASE SUMMARY

Claimant alleged that in connection with his employment, Respondent signed a promissory note which provided among its terms, that if Respondent's employment were terminated for any reason whatsoever prior to the due date of the note, PaineWebber, Inc. may declare the note

immediately due and payable. Upon the voluntary resignation of Mr. Link, Claimant has declared the balance due on the note due and payable.

In response to the allegations set forth in the Counterclaim, PaineWebber, Inc. stated that it expeditiously approved Eclipse three weeks after Mr. Link was hired; and that the delay in the registration of Respondent was caused by the responses of Mr. Link on the Form U-4.

Respondent admitted executing the note and stated that his employment with PaineWebber, Inc. would be contingent upon certain conditions which were not met. Respondent alleged that PaineWebber, Inc. negligently or intentionally failed to process his registration and/or notify him of his registration status for a period of 93 days after he was hired; and failed and refused to implement or support any of the preconditions agreed to between the parties.

RELIEF REQUESTED

Claimant PaineWebber, Inc. requested an award in its favor against Robert L. Link in the amount of \$101,622.58, plus interest, together with attorneys' fees and costs, as expressly provided for in the Note. Claimant also requested that the Counterclaim asserted in this matter be dismissed in its entirety.

Respondent Robert L. Link requested the entry of an award in his favor against PaineWebber, Inc. in the sum of \$500,000, for an additional award of punitive damages in the sum of \$500,000, and for such additional relief as is justified by the evidence in the case.

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(s) remain on file with the N.A.S.D.

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 Robert L. Link shall be and hereby is liable for and shall pay to the Claimant PaineWebber, Inc. the sum of \$92,263.20 (Ninety two thousand two hundred sixty three dollars and twenty cents).
2. Claimant PaineWebber, Inc. shall be and hereby is liable for and shall pay to the Respondent Robert L. Link the sum of \$50,000 (Fifty thousand dollars).

3. Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.
4. All relief not specifically addressed above is expressly denied.

FORUM FEES

Forum fees are calculated at the rate of \$1,000 per hearing session and \$300 for each pre-hearing conference, if any. There were 4 sessions x \$1,000 plus 1 session x \$300 = \$4,300 forum fees. §44(b) states that a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less.

Pursuant to §44(c) of the N.A.S.D. Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("N.A.S.D.") shall retain the non-refundable filing fee in the amount of \$500 and shall retain as forum fees the hearing session deposit in the amount of \$150 of the \$750 due, previously deposited with the N.A.S.D. by the Claimant. The National Association of Securities Dealers, Inc. ("N.A.S.D.") shall retain the non-refundable filing fee in the amount of \$500 and shall retain as forum fees the hearing session deposit in the amount of \$1,000 previously deposited by the Respondent. Claimant shall be and hereby is liable for and shall pay to the NASD the sum of \$2,000 and Respondent shall be and hereby is liable for and shall pay to the NASD the sum of \$1,150 as forum fees.

The N.A.S.D. shall retain postponement fees in the total amount of \$1,200 previously deposited with the N.A.S.D. by the Claimant. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

s/ Edwin R. Cohen
Edwin R. Cohen
Industry Arbitrator, Presiding Chair

April 20, 1992

s/ Richard L. Johannesman
Richard L. Johannesman
Industry Arbitrator

April 22, 1992

s/ James R. Potter
James R. Potter
Industry Arbitrator

April 22, 1992