

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

PaineWebber, Inc.

92-02629

Name of Respondent

Howard Watson

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 7, 1992, Claimant PaineWebber, Inc., through it's in-house counsel, Garry J. Stegeland, Esq., alleged that Respondent Howard Watson refused to return a certificate for 100 shares of Douglas and Lomason stock which he received in error, and that his refusal to return these shares forced the Claimant to buy-in 100 shares of this stock which created a debit balance in the Respondent's account. The Claimant contended that although it tried to resolve this matter amicably, the Respondent has refused to cover this debit balance.

Respondent Howard Watson failed to file an answer to the Statement of Claim.

RELIEF REQUESTED

Claimant PaineWebber, Inc. requested \$2,903.80 in actual damages, plus interest, attorney's fees and costs.

Respondent Howard Watson failed to file an answer to the Statement of Claim.

OTHER ISSUES

In accordance with Section 13 of the NASD Code of Arbitration Procedure the Respondent Howard Watson was served a copy of the Statement of Claim by certified mail and

given an opportunity to respond, which he failed to do. Service was effected as evidenced by the return receipt card signed and dated September 21, 1992.

Pursuant to the By-Laws of the NASD the arbitrator determined that Respondent Howard Watson had notice of the claim and was required to submit to this arbitration proceeding and is, therefore, bound by the arbitrator's ruling and determination.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Ellwood F. Oakley, III, 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 3, 1992, but not by the Respondent as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.

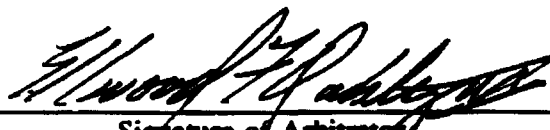
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Howard Watson is liable and shall pay to Claimant PaineWebber, Inc. \$2,903.80 in actual damages.
2. Respondent Howard Watson is liable and shall pay to Claimant PaineWebber, Inc. simple interest at the rate of 10% per annum from February 24, 1992 to January 14, 1993.
3. Respondent Howard Watson is liable and shall pay to Claimant PaineWebber, Inc. \$290.38 representing attorney's fees.
4. The parties shall bear their respective costs.
5. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent Howard Watson is liable and shall pay to Claimant PaineWebber, Inc. \$575.00 as reimbursement of the fee.

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AFFIRMATION

I, **ELLWOOD F. OAKLEY, III.** 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: March 24, 1993