

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Cheryl H. Runzo

92-02916

Name of Respondents

PaineWebber, Inc.
Joe Kennedy, III

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 31, 1992, Claimant Cheryl H. Runzo, who appeared Pro Se, alleged that Respondent Joe Kennedy, III under the supervision of Respondent PaineWebber, Inc., bought and sold stocks without Claimant's authorization on several occasions. Claimant further alleged that Respondent Joe Kennedy, III misrepresented and made unsuitable recommendations when he purchased the stocks on her behalf. Claimant contended that because of Respondents PaineWebber, Inc. and Joe Kennedy, III actions, Claimant sustained losses in her account.

Respondents PaineWebber, Inc. and Joe Kennedy, III by and through their in-house counsel Edward P. Degenhardt, Esq., maintained that Respondent Joe Kennedy, III made all transactions per Claimant Cheryl H. Runzo's instructions and there were no unauthorized trades in Claimant's account. Respondents further maintained that Respondent Joe Kennedy, III explained all the risks to Claimant and alleged Claimant's account had an ending profit of \$2,475.00.

RELIEF REQUESTED

Claimant Cheryl H. Runzo requested \$9,054.93 in actual damages.

Respondents PaineWebber, Inc. and Joe Kennedy, III requested the claim be dismissed in it's entirety with costs assessed against Claimant.

AWARD

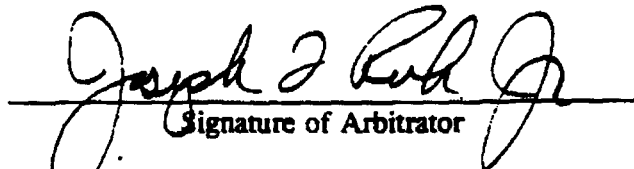
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Joseph F. Ruh, Jr., Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 25, 1992, by the Respondent PaineWebber, Inc. on October 26, 1992 and by the Respondent Joe Kennedy, III on November 20, 1992.

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. Respondents PaineWebber, Inc. and Joe Kennedy, III are jointly and severally liable and shall pay to the Claimant Cheryl H. Runzo the sum of \$7,043.18 in damages.
2. Respondents PaineWebber, Inc. and Joe Kennedy, III are jointly and severally liable and shall pay to the Claimant Cheryl H. Runzo simple interest at the rate of 4% per annum from December 1, 1991 to the date of payment of the Award.
3. The parties shall bear their respective costs.
4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Cheryl H. Runzo shall be retained by the NASD, Inc. Respondents PaineWebber, Inc. and Joe Kennedy, III are jointly and severally liable and shall pay to the Claimant the sum of \$150.00, as reimbursement.

AFFIRMATION

I, JOSEPH F. RUH, JR., 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: May 24, 1993

Page Three
Award 92-02916

STATE OF: NY

SS:

COUNTY OF: HONOLULU

On this 14 day of MAY 1993, before me personally appeared Joseph F. Ruh, Jr., Esq. to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

Holly L. Allen
7

HOLLY L. ALLEN
Notary Public in and for the State of New York
My Comm. Expires 12/31/94
Commission Expires 12/31/94