

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

PaineWebber, Inc.

93-02396

Name of Respondent

Mark I. Caithness

REPRESENTATION

For Claimant, ("PaineWebber, Inc.") ("P.W."): Luther M. Dorr, Jr., Esq. of Maynard, Cooper & Gale, P.C., Birmingham, Alabama.

For Respondent: James D. Gibson, Esq., of Dunlap, Moran & Lopez, P.A., Sarasota, Florida.

CASE INFORMATION

Statement of Claim filed: June 17, 1993.

Claimant's Submission Agreement signed on: June 10, 1993.

Statement of Answer filed by Respondent, Mark I. Caithness on: September 2, 1993.

Respondent, Mark I. Caithness' Submission Agreement signed on: August 23, 1993.

HEARING INFORMATION

Hearing Date/Sessions: Thursday, March 24, 1994: two (2) sessions.

Hearing Location: Tampa, Florida.

CASE SUMMARY

Claimant, alleged that monies were due and owing Claimant based upon a contractual agreement between Claimant and Caithness, a former employee of P.W.

Respondent alleged that he was misinformed as to the nature of the contract, that he did not fully understand what he was signing or in the alternative that the monies received were a bonus owed Respondent. Respondent, further asserted a Counterclaim against Claimant.

RELIEF REQUESTED

Claimant requested: Entry of an award in its favor against Respondent in the amount of \$22,214.60 plus interest, together with attorney's fees and costs.

Respondent requested: Dismissal of the claim in the amount of \$22,214.60 and asserted a Counterclaim for an amount no less than \$250,000.00 based on loss of income, loss of clients, and the loss of future clients.

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 originals remain on file with the NASD.

AWARD

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

1. The Panel finds that Respondent, Mark I. Caithness, did sign a note and does owe and shall pay to PaineWebber, Inc. the sum of \$22,214.60: the debt incurred less the EFL pre-pay.
2. PaineWebber, Inc. is instructed to work out reasonable payback terms of not less than the original terms of the forgiveness note, five equal annual installments, and the time commences upon the date of this Award.
3. Interest is due at the agreed upon rate commencing with the date of this Award.
4. Claimant's request for attorneys' fees and costs is hereby denied.
5. Respondent's Counterclaim is hereby denied.

OTHER COSTS

The parties shall each bear their own costs and expenses incurred in connection with this proceeding, including attorneys' fees.

FORUM FEES

Pursuant to Section 44c of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$1,800.00 (two (2) hearing sessions X \$600.00 + two (2) pre-hearing telephone conferences X \$300.00).

1. Claimant is hereby assessed forum fees in the amount of \$900.00 for which the NASD shall retain the \$600.00 previously deposited by Claimant leaving a balance due to the NASD by Claimant of \$300.00.

2. Respondent, Caithness, is hereby assessed forum fees in the amount of \$900.00 payable to the NASD, Inc.

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

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

Jeffrey R. Edwards, Esq.,
(Industry/Chairman)

/s/

Ben Fisher
(Industry/Panelist)

/s/

Joseph Amonette
(Industry/Panelist)

Date of Decision: May 31, 1994