

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Thomas R. Connelly

93-02598

Name of Respondents

PaineWebber, Inc.
Jack Cashman
PaineWebber Properties, Inc.

REPRESENTATION

For Claimant Thomas R. Connelly ("Claimant"): Killis T. Howard, Attorney at Law, Lynchburg, VA.

For Respondents PaineWebber, Inc., Jack Cashman and PaineWebber Properties, Inc. (collectively referred to as "Respondents"): Lonnie D. Nunley, III, Esq. of the law firm of Hunton & Williams, Richmond, VA.

CASE INFORMATION

Statement of Claim filed: June 30, 1993

An amendment to Claimant's Statement of Claim by letter dated July 20, 1994 filed: July 26, 1993

Claimant's Submission Agreement signed on: June 28, 1993

Joint Statement of Answer filed by Respondents on: October 7, 1993

Respondents failed to submit signed submission agreements.

HEARING INFORMATION

Hearing Date/Session: May 10, 1994 - one session

Hearing Location: Omni Hotel, Richmond, VA

CASE SUMMARY

Claimant alleged, among other things, that Respondent Jack Cashman ("Cashman") made material misrepresentations regarding PW Equity Partners Two ("Equity Partners") to induce Claimant to purchase Equity Partners. Claimant alleged that Respondents were aware of Claimant's stated needs and objectives and that Claimant was seeking conservative investments for his IRA. Claimant alleged that Equity Partners was unsuitable and did not meet his stated investment objectives. Claimant alleged that Cashman convinced Claimant to place his trust in Respondents' hand and that Claimant did so to his detriment. Claimant alleged that Respondents failed to keep him apprised of the status of his investments.

Respondents denied all allegations of wrongdoing asserted by Claimant. Respondents maintained, among other things, that all investments for Claimant's IRA were suitable. Respondents maintained that Cashman properly diversified Claimant's investments. Respondents maintained that Cashman discussed all investments with Claimant and that it was Claimant's decision to make the investments and to maintain the investments.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of not less than \$18,000.

Respondents requested that Claimant's claim be dismissed in its entirety and that Claimant be assessed all costs.

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.

Respondents PaineWebber, Inc., PaineWebber Properties, Inc. and Jack Cashman were represented by counsel and filed a joint answer, notwithstanding their failure to execute submission agreements, the Panel exercised its jurisdiction over the Respondents.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the

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issues submitted for determination as follows:

1. That Claimants' claim is denied in its entirety.
2. That the parties shall bear their own costs and expenses, including attorneys' fees.

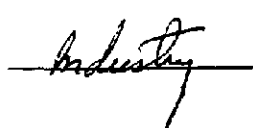
FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Claimant's hearing session fee of \$300 is retained.

Concurring Arbitrator's Signature
Name

Public/Industry


James Edward Knowles


Industry

NASD Date of Decision: June 6, 1994

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Concurring Arbitrator's Signature
Name


Arnald B. Crews, Esq. 5/31/94

Public/Industry



NASD Date of Decision: June 6, 1994

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Concurring Arbitrator's Signature

Name



Mark E. Rubin, Esq.

Public/Industry



5/27/94

NASD Date of Decision: June 6, 1994