

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

George W. Gill

93-03468

Name of Respondent

PaineWebber, Inc.

REPRESENTATION

For Claimant, George Gill ("Gill"): William Robert Leonard, Esq. of the law office of William Robert Leonard, Ft. Lauderdale, Florida.

For Respondent, PaineWebber, Inc. ("PW"): Evan J. Charkes of PaineWebber, Inc., Weehawken, New Jersey.

CASE INFORMATION

Statement of Claim filed: September 3, 1993. Claimant's Submission Agreement signed on: August 31, 1993.

Statement of Answer filed by Respondent, PW on: October 19, 1993. Respondent, PW's Submission Agreement signed on: October 1, 1993 by Joseph Generelli on behalf of PW.

HEARING INFORMATION

On January 20, 1994 a Pre-Hearing Conference was conducted via telephone conference call with an arbitrator.

On March 30 and 31, 1994 and May 9, 1994 in Ft. Lauderdale, Florida hearings lasting six (6) sessions were conducted.

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CASE SUMMARY

Claimant alleged that his investment executive purchased 2,000 Geodyne Energy Income Limited Partnership III securities prior to receipt from the broker of the prospectus and other offering information. Previously, Claimant's portfolio consisted of conservative investments. Subsequent thereto, Claimant determined that the investment was not conservative but was highly risky. Claimant alleged that, had he been advised of the risks involved, he would not have purchased the investment.

Respondent denied all allegations of wrongdoing and alleged that: Claimant is a sophisticated investor; Claimant failed to timely complain about the investment; Claimant had a substantial net worth; and, Claimant understood the risks involved. Respondent asserted the affirmative defenses of: failure to state a cause of action; compliance with all applicable rules and regulations; lack of causation; estoppel; ratification; Claimant is not entitled to punitive damages as a matter of law; laches; statute of limitations; lack of reliance; authorization; failure to mitigate damages; assumption of risk; waiver; and, Claimant is not entitled to attorney's fees, costs or interest under any statute.

RELIEF REQUESTED

Claimant requested return of the purchase price of \$200,000.00, plus costs, attorney's fees and filing fees.

Respondent requested dismissal of the claim.

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 the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, PW is found liable and shall pay to Claimant the amount of \$127,897.12.

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2. Simultaneous with the delivery of the amount specified in paragraph #1 above, Claimant shall execute any and all necessary documents to transfer all his right, title and interest in PaineWebber's Geodyne Energy Income III-G limited partnership to Respondent, PW.

3. Claimant's request for costs, interest and attorney's fees is denied.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the arbitrators have assessed Forum Fees in the amount of \$4,800.00 (one prehearing conference with an arbitrator x \$300.00 plus 6 sessions x \$750.00 per session).

1. Claimant is hereby assessed \$2,400.00 for which the NASD shall retain the \$750.00 previously deposited by Claimant in partial satisfaction thereof, leaving a balance due the NASD of \$1,650.00.

2. Respondent, PW is hereby assessed \$2,400.00 payable to the NASD.

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

Concurring Arbitrators' Signatures

Name

Public/Industry

/s/

Meah Dell Rothman Tell, Esq.

Public/Chairperson

/s/

John A. Labarbera

Public

/s/

P. David Isenberg

Industry

Date of Decision: _____