

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the matter of the Arbitration Between

**Name of Claimant(s)**

Cindy Ahlquist

NASD Arbitration

No. 93-03545

**Name of Respondent(s)**

PaineWebber, Incorporated

Carlton Brien Pace

Annette I. Brindley

---

**REPRESENTATION**

For Claimant: Cindy Ahlquist, San Jose, California

For Respondents: Catherine J. Pratt, Esq., PaineWebber  
Incorporated, Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed: August 31, 1993

Supplement to Statement of Claim filed: December 7, 1993

Claimant's Submission Agreement signed: September 1, 1993

Joint Statement of Answer filed by Respondents: February 28, 1994

Respondents' Submission Agreements signed as follows:

PaineWebber Incorporated: February 24, 1994

Carlton Brien Pace: February 25, 1994

Respondent Annette I. Brindley did not file a Submission Agreement. However, she appeared at the hearing and is subject to National Association of Securities Dealers, Inc. (NASD) jurisdiction in

accordance with Section 12 of the NASD Code of Arbitration Procedure.

#### HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

October 4, 1994 (one session)

Hearing Date(s)/Session(s): October 7, 1994 (three sessions)

Hearing Location:

San Francisco, California

#### CASE SUMMARY

Claimant alleged negligence, misrepresentations, and alleged that Respondents disregarded their fiduciary responsibilities with respect to various securities purchased in Claimant's accounts.

Respondents denied any wrongdoing in the handling of Claimant's accounts and alleged that each and every trade in Claimant's accounts was discussed with Claimant and approved by her prior to being undertaken. Respondents also asserted affirmative defenses.

#### RELIEF REQUESTED

Claimant requested relief as follows:

1. Return of 300 shares of Florida Power & Light (FPL) plus lost dividend earnings. In exchange, Claimant will return \$10,187.10 (490 shares x 20.79) minus the exit commission. This sum was received for sale of PW Dividend Growth Fund purchased by selling FPL to add to existing \$15,000.00 already invested in PW Dividend Growth Fund. Account AG 4546788;

2. Refund of \$313.53 exit commission for sale of PW Regional Financial Growth fund. Account AG 4821654. Refund of exit commission on sale of remaining shares of PW Dividend Growth Fund (270 shares x 20.79). Account AG 4546788;

3. Return of 227 shares of AT&T and accrued dividend earnings since January 4, 1993, in exchange for 82 Philip Morris

shares and same-time purchase of 319 shares of AIM Constellation purchased with AT&T sale proceeds. Account AG 4821688;

4. No fee for IRA Transfer; and
5. Commission adjustment on accounts as needed.

#### OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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. All claims by Claimant against Respondents Carlton Brien Pace and Annette I. Brindley are dismissed.
2. Respondent PaineWebber Incorporated is solely liable for and shall pay to Claimant the sum of \$1,000.00, in satisfaction of Claimant's claims.
3. The parties shall each bear their respective costs including attorney's fees.

#### FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall refund the \$400.00 hearing session deposit previously deposited by Claimant. Forum fees are assessed against: Respondent PaineWebber Incorporated, solely, in the amount of \$1,500.00, calculated as follows: One pre-hearing session times \$300.00/session plus three hearing sessions times \$400.00/session.

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

ARBITRATORS

Name ..... Public / Industry

Lester Friedman, Esq.

Public Arbitrator

Amy Seltzer, Ph.D


Public Arbitrator

Kenneth L. Brown

Industry Arbitrator

Concurring Arbitrators' Signatures

\_\_\_\_\_  
Lester Friedman, Esq.

  
\_\_\_\_\_  
Amy Seltzer, Ph.D

\_\_\_\_\_  
Kenneth L. Brown

Date of Decision: \_\_\_\_\_

Date Served: 11/16/94