

AMERICAN STOCK EXCHANGE
IN THE MATTER OF ARBITRATION BETWEEN

CASE: ROBERT P. WITTENSTEIN V. PAINEWEBBER, INC., & TERI KAROLE
97-06

DATE FILED: 2/20/96 FIRST SCHEDULED: 9/6/96 DECIDED: 5/6/97

CASE SUMMARY: Employee v. employer dispute. Claimant a former registered
representative with PaineWebber, alleges damages due to
PaineWebber's alleged violations of its benefit plans which
forced him to sell his stock options prematurely.
Respondent denies the claim.

CLAIMANT'S INITIALS: SPW RESPONDENT'S: ARK THIRD PARTY'S INITIALS: _____

SESSIONS: 1-9

CLAIM AND AWARD DATA:

CLAIM: <u>\$500,000.00</u>	3rd PTY: <u>N/A</u>	AWARD: <u>see attached</u>
PUNITIVE: <u>Requested</u>	PUNITIVE: <u>N/A</u>	PUNITIVE: <u>see attached</u>
ATTY FEES: <u>Requested</u>	ATTY FEES: <u>N/A</u>	ATTY FEES: <u>see attached</u>
DEPOSIT: <u>\$1,100.00</u>	DEPOSIT: <u>N/A</u>	DEPOSIT: <u>\$1,100.00</u>
COSTS: _____	COSTS: _____	COSTS: <u>\$8,000.00</u>

DECISION: The undersigned arbitrators have decided and determined in full and final settlement of all claim
between the parties that:
See Attached.

ATTORNEY:

Stephen P. Horner, Esq. - Stephen P. Horner & Associates - Representing Claimant -
Westport, CT.

A. Robert Fisher
Joshua Greenberg, Esq. - Jackson, Lewis, Schnitzler, Krupan - Representing Respondent
Stamford, CT.

ARBITRATORS **

HOWARD BREINDEL, ESQ., CHAIRMAN

DOUGLAS EVANS

RICHARD DICE

Howard Breindel
SIGNATURE

Douglas Evans
SIGNATURE

Richard A. Dice
SIGNATURE

CITY: NEW YORK STATE: NEW YORK DATE: 5/8/97

Additional pages may be attached.
(Dissents)

The decision of the arbitrators is:

Stock Options:

All Claimant's stock options, as granted, as shown on Claimant's Exhibit 21, as if Claimant had been fully employed, shall be reinstated by Respondent, PaineWebber, Incorporated upon the following terms and conditions:

Upon Claimant's payment to Respondent, PaineWebber, Incorporated, of
A. the sum of \$165,462, and
B. the profits (before taxes) Claimant made from the sale of PaineWebber, Inc. stock he obtained as a result of his exercise of a PaineWebber stock option listed on Claimant's Exhibit 21.

Long Term Disability

Respondent, PaineWebber, Incorporated, shall continue to pay, or have paid, Claimant's long term disability benefits of \$16,466 for the shorter of five (5) years from January 18, 1995 or until the Claimant reaches the age of 70 years.

Loss of Book of Business

Respondent, PaineWebber, Incorporated, shall pay Claimant \$170,000 for the loss of his book of business.

Costs

Respondent, PaineWebber, Incorporated, shall pay \$9,100 in the costs of this proceeding by remitting \$1,100 (Claimant's initial filing deposit) to Claimant and \$8,000 to the American Stock Exchange.

Other Claims and Requests

All other Claims and Requests against Respondent, PaineWebber, Incorporated, are denied.

All Claims and Requests against any other Respondent are denied.

#97-06