

**Award  
FINRA Dispute Resolution**

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In the Matter of the Arbitration Between:

Claimant  
Sergio C. Zanini

Case Number: 13-01652

vs.

Respondent  
UBS Securities LLC

Hearing Site: New York, New York

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Nature of the Dispute: Associated Person vs. Member

**REPRESENTATION OF PARTIES**

For Claimant Sergio C. Zanini: Blaine Bortnick, Esq., Liddle & Robinson, L.L.P., New York, New York.

For Respondent UBS Securities LLC: Lloyd B. Chinn, Esq., Proskauer Rose LLP, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: June 4, 2013.  
Sergio C. Zanini signed the Submission Agreement: May 31, 2013.

Statement of Answer filed by Respondent on or about: August 13, 2013.  
UBS Securities LLC signed the Submission Agreement: August 20, 2013.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract, unwarranted deferred compensation forfeiture, wrongful termination, reformation of Form U5, and severance.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested compensatory damages in the amount of \$2,300,000.00, representing his 2012 bonus; an amount of not less than \$490,000.00, representing his 2013 pro rata bonus; an amount equating to approximately \$850,000.00 in UBS shares relating to Claimant's outstanding deferred compensation; the expungement of the defamatory language on Claimant's Form U5 filed by Respondent; damages relating to Claimant's wrongful termination; severance; interest; attorneys' fees and costs; and such other and further relief as the Panel deems appropriate.

Respondent requested dismissal of the Statement of Claim in its entirety.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

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.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$700,000.00.
2. Claimant's request for expungement of his Form U5 is denied.
3. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

FINRA Dispute Resolution assessed a filing fee\* for each claim:  
Initial Claim Filing Fee

= \$ 1,800.00

*\*The filing fee is made up of a non-refundable and a refundable portion.*

**Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, UBS Securities LLC is assessed the following:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,000.00

**Discovery-Related Motion Fees**

Fees apply for each decision rendered on a discovery-related motion.

Two (2) Decisions on discovery-related motions on the papers  
with one (1) arbitrator @ \$200.00 = \$ 400.00

Claimant submitted one (1) discovery-related motion  
Respondent submitted one (1) discovery-related motion  

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Total Discovery-Related Motion Fees = \$ 400.00

1. The Panel has assessed \$200.00 of the discovery-related motion fees to Claimant.
2. The Panel has assessed \$200.00 of the discovery-related motion fees to Respondent.

**Hearing Session Fees and Assessments**

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00 = \$ 450.00  
Pre-hearing conference: January 27, 2014 1 session

One (1) Pre-hearing session with Panel @ \$1,200.00 = \$ 1,200.00  
Pre-hearing conference: November 6, 2013 1 session

Twelve (12) Hearing sessions @ \$1,200.00 = \$14,400.00  
Hearing Dates: June 10, 2014 2 sessions  
June 11, 2014 2 sessions  
June 12, 2014 2 sessions  
June 17, 2014 2 sessions  
June 18, 2014 2 sessions  
June 19, 2014 2 sessions

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Total Hearing Session Fees = \$16,050.00

1. The Panel has assessed \$8,025.00 of the hearing session fees to Claimant.
2. The Panel has assessed \$8,025.00 of the hearing session fees to Respondent.


All balances are payable to FINRA Dispute Resolution and are due upon receipt.

**ARBITRATION PANEL**

Bernard M. Levine	-	Public Arbitrator, Presiding Chairperson
Michael Jaffe	-	Public Arbitrator
Stephen J. Patti	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

**Concurring Arbitrators' Signatures**

  
\_\_\_\_\_  
Bernard M. Levine  
Public Arbitrator, Presiding Chairperson

6/23/14  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Michael Jaffe  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Stephen J. Patti  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

**June 25, 2014**

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution office use only)

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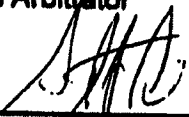
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Signature Date

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Stephen J. Patti  
Non-Public Arbitrator

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6/24/14  
Signature Date

June 25, 2014

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