

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Gianluca Passaretta

Case Number: 14-00740

vs.

Respondent
UBS Securities LLC

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant Gianluca Passaretta: Blaine H. 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: March 5, 2014.
Claimant signed the Submission Agreement: February 26, 2014.

Statement of Answer filed by Respondent on or about: May 19, 2014.
Amended Answer filed on or about: June 22, 2015.
Respondent signed the Submission Agreement: May 12, 2014.

CASE SUMMARY

Claimant asserted the following causes of action: failure to pay deferred compensation and bonus compensation, defamation, tortious interference with prospective economic advantage, wrongful termination, and violation of Connecticut Unfair Trade Practices Act.

Unless specifically admitted in its Answer and Amended 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 unspecified compensatory damages, punitive damages, interest, attorneys' fees, costs, expungement of Claimant's Form U5, and any such other and further relief as deemed just, proper and appropriate.

At the close of the hearing, Claimant's final damages request consisted of deferred and bonus compensation, unpaid severance, attorneys' fees, and expungement of Claimant's Form U5.

Respondent requested that Claimant's claims be denied in their entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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

At the close of Claimant's case-in-chief, Respondent made a Motion to Dismiss and Claimant opposed the motion. After due deliberation, the Panel denied Respondent's Motion to Dismiss on the grounds that Claimant provided proof to support his claims, and Respondent did not negate this proof.

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, and the post-hearing submissions, 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 damages for deferred compensation in the amount of \$1,369,949.00 and unpaid severance in the amount of \$69,231.00, for total compensatory damages in the amount of \$1,439,180.00 plus interest at the rate of 9% per annum from July 9, 2013 until the award is paid in full.
2. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$868,264.00. The Panel awarded attorneys' fees pursuant to the ERISA statute.
3. The Panel recommends the expungement of the "Yes" answer to Question 7(F)3 on the Form U5 filed by UBS Securities LLC on July 25, 2013 for Claimant Gianluca Passaretta's (CRD #2917523) registration records maintained by the Central Registration Depository ("CRD") based on the defamatory nature of the information. The Panel recommends that the answer be changed to "No" and the accompanying Termination Disclosure Reporting page be deleted in its entirety. In addition, the panel recommends that the current Termination Explanation in Section 3 be expunged and changed to: "After arbitration, the arbitration Panel determined that the termination was unjustified". The Reason for Termination shall remain the same. This recommendation is based on the defamatory nature of the information.

The above recommendations also apply to all subsequent disclosures concerning this event, including but not limited to, the Form U4 filed by HSBC SECURITIES (USA) INC. on September 19, 2013.

The Form U5 is not automatically amended to include the changes indicated above. Claimant Gianluca Passaretta must forward a copy of this Award to FINRA's Registration and Disclosure Department for the amendments to be incorporated into the Form U5.

4. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$ 1,250.00

**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 = \$ 1,500.00
Pre-Hearing Processing Fee = \$ 750.00
Hearing Processing Fee = \$ 2,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

November 9-10, 2015 adjournment by Respondent = \$ 1,000.00

The Panel has assessed the \$1,000.00 adjournment fee to Respondent.

Contested Motion for Issuance of a Subpoena Fees

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) Decision on a contested motion for the issuance of a subpoena
with one (1) arbitrator @ \$200.00 = \$ 200.00

Total Contested Motion for Issuance of Subpoenas Fees = \$ 200.00

The Panel has assessed the \$200.00 contested motion for issuance of subpoenas 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 last four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.0		= \$ 900.00
Pre-hearing conferences:	April 20, 2015	1 session
	May 11, 2015	1 session
Two (2) Pre-hearing sessions with the Panel @ \$1,000.00		= \$ 2,000.00
Pre-hearing conferences:	October 1, 2014	1 session
	February 24, 2016	1 session
Thirty-four (34) Hearing sessions @ \$1,000.00		\$34,000.00
Hearing Dates:	July 28, 2015	2 sessions
	July 29, 2015	2 sessions
	July 30, 2015	2 sessions
	August 4, 2015	2 sessions
	August 5, 2015	2 sessions
	November 11, 2015	2 sessions
	December 14, 2015	2 sessions
	December 15, 2015	2 sessions
	December 16, 2015	2 sessions
	February 10, 2016	2 sessions
	February 11, 2016	2 sessions
	March 8, 2016	2 sessions
	March 14, 2016	2 sessions
	March 15, 2016	2 sessions
	April 26, 2016	2 sessions
	April 27, 2016	2 sessions
	May 17, 2016	2 sessions
<hr/> Total Hearing Session Fees		<hr/> = \$36,900.00

The Panel has assessed the hearing session fees of \$36,900.00 to Respondent.


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

ARBITRATION PANEL


Denise L. Quarles	-	Public Arbitrator, Presiding Chairperson
John Caracciolo	-	Public Arbitrator
Ilene Barbara Zatkan-Butler	-	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



Denise L. Quarles
Public Arbitrator, Presiding Chairperson



Signature Date

John Caracciolo
Public Arbitrator

Signature Date

Ilene Barbara Zatkan-Butler
Non-Public Arbitrator

Signature Date

June 13, 2016

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

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Signature Date

6/6/16

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Public Arbitrator

Signature Date

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