

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant  
UBS Financial Services, Inc.

Case Number: 02-05504

Name of the Respondent  
Luis Pelayo Moran

Hearing Site: Boca Raton, Florida

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**REPRESENTATION OF PARTIES**

For UBS Financial Services, Inc. ("UBSFSI"), hereinafter referred to as "Claimant": Lisa A. Catlano, Davison, Manchel & Brennan, LLP, Northvale, New Jersey and Melanie Cherdack, Esq., Genovese Lichtman Joblove & Battista, PA, Miami, Florida.

Respondent Luis Pelayo Moran ("Moran") did not appear.

**CASE INFORMATION**

Statement of Claim filed on or about: September 13, 2002.  
Claimant signed the Uniform Submission Agreement: July 31, 2002.  
Respondent did not file a Statement of Answer or an executed Uniform Submission Agreement.

**CASE SUMMARY**

Claimant alleged the following: Respondent breached the terms of a Promissory Note which memorialized a loan made by Claimant to Respondent. The loan was made by Claimant to Respondent in connection with Respondent's employment with Claimant.

**RELIEF REQUESTED**

Claimant requested compensatory damages of \$90,200.00, plus interest, attorney's fees, the costs, fees and disbursements of this proceeding and such other relief as is deemed just and equitable.

**OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Moran did not appear in this matter. Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Moran has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Moran did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

The party present at the hearing agreed that this Award may be executed in counterpart copies.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Moran is liable on the claim of breach of contract and shall pay to Claimant the sum of \$90,200.00 in compensatory damages.
2. Respondent Moran is liable and shall pay to Claimant pre-judgement interest at the rate of 9% per annum from October 17, 2000 until July 17, 2003, in the sum of \$24,180.55.
3. Respondent Moran is liable and shall pay to Claimant attorney's fees in the sum of \$4,712.15. Attorney's fees are awarded pursuant to the contract signed by the parties.
4. Respondent is liable and shall pay to Claimant the sum of \$1,000.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.
5. Respondent is liable and shall pay to claimant the sum of \$2,313.49 representing reimbursement of miscellaneous costs paid by Claimant in preparation for the evidentiary hearing in this matter. These costs include fees for service of process on Respondent, airline tickets, hotel charges and other miscellaneous costs associated with attending the evidentiary hearing in this matter.
6. Any and all claims for relief not specifically addressed herein, are denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$1,000.00
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#### **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, UBSFSI is a party.

Member surcharge	= \$1,100.00
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Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

### **Adjournment Fees**

No adjournments were granted during these proceedings for which fees were assessed.

### **Injunctive Relief Fees**

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred during this proceeding.

### **Forum Fees and Assessments**

The Panel has assessed forum 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 Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: March 27, 2003	1 session
One (1) Hearing sessions @ \$750.00	= \$ 750.00
Hearing Date: July 17, 2003	1 session
Total Forum Fees	= \$1,500.00

The Panel has assessed the total forum fees of \$1,500.00 to Respondent Moran.

### **Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative fees were incurred during this proceeding.

### **Fee Summary**

Claimant is solely liable for:	
Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Total Fees	= \$4,550.00
Less payments	= \$4,550.00

Balance Due NASD Dispute Resolution = \$ 0.00

Respondent is solely liable for:

Forum Fees = \$1,500.00

Total Fees = \$1,500.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution = \$1,500.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

*David A. Pracker* - *Non-Public Arbitrator, Presiding Chairperson*  
*Bernard Hornick* - *Non-Public Arbitrator*  
*Timothy C. Voit* - *Non-Public Arbitrator*

**Concurring Arbitrators' Signatures**

/s/  
David A. Pracker  
Non-Public Arbitrator, Presiding Chairperson

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

/s/  
Bernard Hornick  
Non-Public Arbitrator

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

/s/  
Timothy C. Voit  
Non-Public Arbitrator

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

August 7, 2003

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

Balance Due NASD Dispute Resolution = \$ 0.00

Respondent is solely liable for:

Forum Fees = \$1,500.00

Total Fees = \$1,500.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution = \$1,500.00

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David A. Pracker

- Non-Public Arbitrator, Presiding Chairperson

Bernard Hornick

- Non-Public Arbitrator

Timothy C. Voit

- Non-Public Arbitrator

**Concurring Arbitrators' Signatures**



David A. Pracker

Non-Public Arbitrator, Presiding Chairperson

8/4/03

Signature Date

Bernard Hornick

Non-Public Arbitrator

Signature Date

Timothy C. Voit

Non-Public Arbitrator

Signature Date

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

Balance Due NASD Dispute Resolution	= \$ 0.00
Respondent is solely liable for:	
Forum Fees	= \$1,500.00
Total Fees	= \$1,500.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,500.00

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Signature Date

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11/03  
Signature Date

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Timothy C. Voit  
Non-Public Arbitrator

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Signature Date

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

Balance Due NASD Dispute Resolution = \$ 0.00

Respondent is solely liable for:

Forum Fees = \$1,500.00

Total Fees = \$1,500.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution = \$1,500.00

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Non-Public Arbitrator, Presiding Chairperson.

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Signature Date

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Non-Public Arbitrator

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Signature Date

  
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Timothy C. Voit  
Non-Public Arbitrator

8-6-03  
\_\_\_\_\_  
Signature Date

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