

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

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In the Matter of the Arbitration Between:

Patrick Afflitto and MaryAnn Afflitto (Claimants) v. UBS Financial Services, Inc. and  
Matthew Steinfeld (Respondents)

Case Number: 03-06220

Hearing Site: New York, New York

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Nature of the Dispute: Customers v. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimants Patrick Afflitto ("P. Afflitto") and MaryAnn Afflitto ("M. Afflitto")  
hereinafter collectively referred to as "Claimants" appeared *pro se*.

Respondents UBS Financial Services, Inc. ("UBS") and Matthew Steinfeld ("Steinfeld")  
hereinafter collectively referred to as "Respondents": Vincent J. Oliva, Esq., UBS  
Financial Services, Inc., New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: August 25, 2003.

Claimants signed the Uniform Submission Agreement: August 1, 2003.

Joint Statement of Answer filed by Respondents on or about: December 16, 2003.

Respondent UBS signed the Uniform Submission Agreement.

Respondent Steinfeld did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimants asserted the following causes of action: misrepresentations; omission of fact;  
suitability; and failure to follow instructions. Claimants' claim involved unspecified  
securities.

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

**RELIEF REQUESTED**

Claimants requested compensatory damages in the amount of \$48,000.00; punitive  
damages in the amount of \$450,000.00; and a return of all of the funds invested with no  
penalty.

Respondents requested that the Statement of Claim be dismissed in its entirety with prejudice; fees and costs; and such other relief as the Arbitration Panel deems appropriate.

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

Respondent Steinfeld did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

At the hearing, Claimants amended their Statement of Claim to include compensatory damages in the amount of \$456.94, arising from a delayed liquidation of a "529 account".

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, and 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. Respondents are jointly and severally liable for and shall pay to Claimants compensatory damages in the amount of \$24,132.27, plus interest at the rate of 9% per annum from April 8, 2002 through the date of service of the award.
2. Respondents are jointly and severally liable for and shall pay to Claimants the sum of \$300.00, to reimburse Claimants for the filing fee previously paid to NASD Dispute Resolution.
3. 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**

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

Initial claim filing fee	= \$300.00
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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, UBS Financial Services, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

**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:

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
Pre-hearing conferences: January 27, 2004 1 session	
March 12, 2004 1 session	

Four (4) Hearing sessions @ \$1,125.00	= \$4,500.00
Hearing Dates: September 22, 2004 2 sessions	
September 23, 2004 2 sessions	

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Total Forum Fees	= \$6,750.00
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1. The Panel has assessed \$6,750.00 of the forum fees jointly and severally against Respondents.

**Fee Summary**

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$1,425.00
Refund Due Claimants	= \$1,125.00

*As stated in the "Award" section above, Respondents are jointly and severally liable for and shall reimburse Claimants for the \$300.00 filing fee.*

2. Respondent UBS is solely liable for:

<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$6,750.00
<u>Total Fees</u>	= \$6,750.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$6,750.00

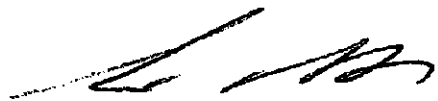
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

Simon S. Kogan, Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard Korman, Esq.	-	Public Arbitrator
Arthur P. Fisch, Esq.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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 is which is my award.



Simon S. Kogan, Esq.  
Public Arbitrator, Presiding Chairperson

9/29/04  
Signature Date

\_\_\_\_\_  
Bernard Korman, Esq.  
Public Arbitrator

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

\_\_\_\_\_  
Arthur P. Fisch, Esq.  
Non-Public Arbitrator

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

October 11, 2004

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

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Bernard Korman, Esq.	-	Public Arbitrator
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Simon S. Kogan, Esq.  
Public Arbitrator, Presiding Chairperson

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

Bernard Korman  
Bernard Korman, Esq.  
Public Arbitrator

Oct. 6, 2004  
Signature Date

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Arthur P. Fisch, Esq.  
Non-Public Arbitrator

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Signature Date

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Public Arbitrator, Presiding Chairperson

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Public Arbitrator

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