

## **Stipulated Award**

### **NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Stefanos Sertsionas (Claimant) v. UBS Financial Services f/k/a UBS Paine Webber, Inc., Carlos Garcia, Hugh McIlrevey and David Moran (Respondents)

Case Number: 04-02978

Hearing Site: Hartford, Connecticut

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Nature of the Dispute: Customer v. Member and Associated Persons

### **REPRESENTATION OF PARTIES**

Claimant Stefanos Sertsionas ("Sertsionas") hereinafter referred to as "Claimant": Richard Slavin, Esq., Cohen and Wolf, P.C., Bridgeport, CT.

Respondents UBS Paine Webber, Inc. ("UBS"), Hugh McIlrevey ("McIlrevey"), and David Moran ("Moran") hereinafter referred to as "Respondents": Andrew W. Sidman, Esq., Butler, Fitzgerald & Potter, P.C., New York, NY.

Respondent Carlos Garcia ("Garcia"): Vincent J. Oliva, UBS Financial Services, Inc., Weehawken, NJ.

### **CASE INFORMATION**

Statement of Claim filed on or about: April 22, 2004.

Claimant signed the Uniform Submission Agreement: April 16, 2004.

Joint Statement of Answer filed by Respondents on or about: July 16, 2004.

Respondent UBS signed the Uniform Submission Agreement: July 13, 2004.

Respondent McIlrevey signed the Uniform Submission Agreement: July 15, 2004.

Respondent Moran signed the Uniform Submission Agreement: May 17, 2004.

Respondent Garcia did not submit a Statement of Answer and did not sign the Uniform Submission Agreement.

### **CASE SUMMARY**

Claimant asserted the following causes of action: violation of state and federal securities laws; fraud; negligence; negligent misrepresentation, and failure to supervise. The causes of action relate to unspecified securities.

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

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of approximately \$39,000.00, attorneys' fees, costs, and interest authorized by federal and state securities laws, punitive damages under Connecticut common law (limited to attorneys' fees and costs), and any other damages the arbitrators see fit to award.

Respondents requested dismissal of the Statement of Claim in its entirety; the claims against Respondent Moran should be dismissed before a hearing; this matter should be expunged from Respondent Moran's CRD records; the Statement of Claim should be stricken insofar as it is not based upon allegations concerning Claimant's account, before a hearing; the Statement of Claim should be dismissed with prejudice, as against Respondent UBS and McIlrevey; this matter should be expunged from McIlrevey's CRD records, and Respondents should be awarded such additional relief as the Panel determines is just and proper.

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

Respondents Garcia did not file with NASD Dispute Resolution ("NASD-DR") a properly executed submission agreement, but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

On or about May 4, 2005, Claimant notified NASD-DR that he settled his claim against Respondents UBS, McIlrevey and Moran.

On or about July 7, 2005, Claimant withdrew his claim against Respondent Carlos Garcia.

On April 10, 2006, the Panel conducted an expungement hearing via telephone with all parties. After hearing oral argument, the Panel determined to grant Respondent McIlrevey and Moran's request for expungement.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **AWARD**

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The claims in this proceeding have been resolved in their entirety by agreement

of the parties.

2. Respondents have requested, without opposition from the Claimant, that this proceeding and all claims in this proceeding, be expunged from the registration records maintained by the CRD for Respondents McIlrevey and Moran.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Hugh McIlrevey's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Hugh McIlrevey must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration Panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent David Moran's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent David Moran must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

5. Each party shall bear its own costs and expenses, including attorneys' fees, except insofar as the parties have agreed that Respondents shall bear the forum fees of any further proceedings concerning expungement, and insofar as

fees are specifically addressed below.

6. 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	= \$ 175.00
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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 persons at the time of the events giving rise to the dispute. In this matter, UBS Paine Webber, Inc., is a party.

Member Surcharge	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 1,000.00

#### **Forum Fees and Assessments**

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

Three (3) Pre-hearing conference sessions with the Panel @ \$600.00 per session  
= \$ 1,800.00

Pre-hearing conferences:	October 12, 2004	1 session
	November 16, 2004	1 session
	April 10, 2006	1 session

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Total Forum Fees	= \$ 1,800.00
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1. The Panel has assessed \$600.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,200.00 of the forum fees jointly and severally against Respondents UBS, McIlrevey and Moran.

### **Fee Summary**

1. Claimant is solely liable for:  
Initial Filing Fee = \$ 175.00

Forum Fees	= \$	600.00
Total Fees	= \$	775.00
Less payments	= \$	775.00
Balance Due NASD Dispute Resolution	= \$	0.00

2. Respondent UBS is solely liable for:

Member Fees	= \$	2,625.00
Total Fees	= \$	2,625.00
Less payments	= \$	2,625.00
Balance Due NASD Dispute Resolution	= \$	0.00

3. Respondents UBS, McIlrevey and Moran are jointly and severally liable for:

Forum Fees	= \$	1,200.00
Total Fees	= \$	1,200.00
Less payments	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	1,200.00

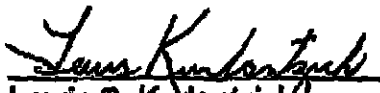
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

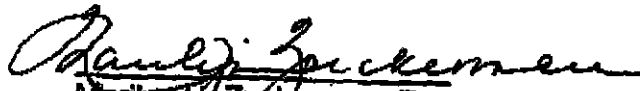
Lewis S. Kurlantzick	-	Public Arbitrator, Presiding Chair
Marilyn H. Zuckerman, Esq.	-	Public Arbitrator
Jack A. Marshall	-	Non-Public Arbitrator

**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, which is my award.

  
Lewis S. Kurlantzick  
Public Arbitrator, Presiding Chair

5/15/06  
Signature Date

  
Marilyn H. Zuckerman, Esq.  
Public Arbitrator

5/15/06  
Signature Date

  
Jack A. Marshall  
Industry Arbitrator

5/15/06  
Signature Date

May 17, 2006  
Date of Service (For NASD office use only)