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

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In the Matter of the Arbitration Between:

Ugo Piccagli and Caterina Piccagli  
Claimants

Case Number: 05-00258

v.

Clair Crossland and VeraVest Investments, Inc.  
Respondents

Hearing Site: Dallas, Texas

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Nature of the Dispute: Customer vs. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimants Ugo Piccagli and Caterina Piccagli, hereinafter collectively referred to as "Claimants": Martha Crandall Coleman, Strasburger & Price, L.L.P., 901 Main Street, Suite 4300, Dallas, Texas 75202.

Respondent VeraVest Investment, Inc. ("VeraVest"): Keith Verges, Esq. and Amanda Sotak, Esq., Figari & Davenport, 901 Main St., Suite 3400, Bank of America Plaza, Dallas, Texas 75202-3796.

Respondent Clair Crossland ("Crossland"): Robert M. Candee, Esq., Henslee, Fowler, Hepworth & Schwartz, L.L.P., 6688 N. Central Expressway, Suite 850, Dallas, Texas 75202.

**CASE INFORMATION**

Statement of Claim filed, on or about: March 7, 2005

Claimants Ugo and Caterina Piccagli signed the Uniform Submission Agreement: January 11, 2005

Statement of Answer filed by Respondent, VeraVest, on or about: April 19, 2005

Respondent, VeraVest, signed the Uniform Submission Agreement: March 16, 2005

Statement of Answer filed by Respondent, Crossland, on or about: April 19, 2005

Respondent, Crossland, signed Uniform Submission Agreements: April 19, 2005 and May 19, 2005

Amended Statement of Claim filed on or about: October 27, 2005

Amended Statement of Answer filed by Respondent, Crossland, on or about: December 16, 2005

## **CASE SUMMARY**

Claimants asserted in their Amended Statement of Claim the following causes of action: Negligence. More particularly, Claimants alleged that VeraVest and Crossland negligently failed to timely transfer their account upon VeraVest's exodus from the securities business and that while their account was in transition, VeraVest and Crossland negligently failed to effect a purchase of shares of stock in Lucent, Nortel and Ahold.

Respondents VeraVest and Crossland denied the allegations made in the Amended Statement of Claim. VeraVest also asserted the additional defenses of: (a) lack of duty owed Claimants; (b) contributory negligence; (c) failure to mitigate damages; and (d) lack of legal liability for any alleged acts or omissions of Crossland. Crossland, in turn, asserted the following defenses, in addition to his denial of Claimants' allegations: (a) specific denials that Claimants sought to purchase the number of shares alleged; (b) waiver; (c) estoppel; (d) laches; (e) free-riding; (f) contributory negligence; (g) failure to mitigate damages; (h) impossibility of performance; (i) proportionate responsibility; and (j) contribution. Crossland also affirmatively alleged entitlement to expungement and attorneys' fees.

## **RELIEF REQUESTED**

### **Claimants requested:**

Compensatory Damages	\$28,050.00
Punitive Damages	\$0.00
Interest	\$0.00
Attorneys' Fees	Unspecified
Other Costs	Costs of Arbitration
Other Monetary/Non-Monetary Relief if any:	None

### **Respondent VeraVest requested:**

Compensatory Damages	\$0.00
Punitive Damages	\$0.00
Interest	\$0.00
Attorneys' Fees	\$0.00
Other Costs	\$0.00
Other Monetary/Non-Monetary Relief if any:	None

### **Respondent Crossland requested:**

Compensatory Damages	\$0.00
Punitive Damages	\$0.00
Interest	\$0.00
Attorneys' Fees	Unspecified
Other Costs	Costs of Arbitration
Other Monetary/Non-Monetary Relief if any:	Expungement

## **OTHER ISSUES CONSIDERED AND DECIDED**

Based upon a proposed Agreed Final Award previously prepared by the parties and submitted to the Arbitrator, the Arbitrator considered the parties' settlement of all disputes involved in this action and Crossland's request for expungement.

## **AWARD**

After considering the pleadings and the evidence presented in the parties' previously submitted Agreed Final Award, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. This Arbitration is dismissed with prejudice to the refiling of same or any part thereof;
2. All costs associated with this Arbitration are taxed against the party incurring same;
3. Any and all relief not specifically addressed herein is denied; and
4. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Crossland's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Crossland must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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

Crossland was not involved in an alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

## **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	= \$ 150.00
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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, VeraVest Investments, Inc. is a party and the following member fees are assessed:

Member surcharge	= \$ 600.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 1,000.00

### **Three-Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

March 8, 2006 hearing date canceled by settlement	= \$ 100.00
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### **Forum Fees and Assessments**

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), 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: August 23, 2005 1 session	
<b>Total Forum Fees</b>	<b>= \$ 450.00</b>

The Arbitrator has assessed \$150.00 of the forum fees to Claimant Ugo Piccagli and Caterina Piccagli. \$150.00 to Respondent VeraVest Investment, Inc., and \$150.00 to Respondent Clair Crossland.

In addition, pursuant to Rule 10332(f), the NASD retains the total amount deposited by any party as hearing session deposits in any matter settled within eight (8) business days of the first scheduled hearing.

### **FEE SUMMARY**

Claimants Ugo Piccagli and Caterina Piccagli are jointly and severally liable for:

Initial Filing Fee	= \$ 150.00
Three-Day Cancellation Fee	= \$ 33.33
Forum Fees	= \$ 150.00
Rule 10332(f) forfeiture	= \$ 300.00
<b>Total Fees</b>	<b>= \$ 633.33</b>
<b>Less payments</b>	<b>= \$ 600.00</b>
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 33.33</b>

Respondent VeraVest Investment, Inc., is solely liable for:

Member Fees	= \$ 2,350.00
Three-Day Cancellation Fee	= \$ 33.33
Forum Fees	= \$ 150.00
<b>Total Fees</b>	<b>= \$ 2,533.33</b>
<b>Less payments</b>	<b>= \$ 2,533.33</b>
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

Respondent Clair Crossland is solely liable for:

Three-Day Cancellation Fee	= \$ 33.33
Forum Fees	= \$ 150.00
<b>Total Fees</b>	<b>= \$ 183.00</b>
<b>Less payments</b>	<b>= \$ 183.33</b>
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

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

ARBITRATION PANEL

Nicole T. LeBoeuf, Esq.

Sole Arbitrator

Arbitrator's Signature

  
Nicole T. LeBoeuf, Esq.  
Sole Arbitrator

07/19/2006  
Signature Date

7/27/06 Ua  
Date of Service (For NASD Dispute Resolution office use only)