In the Matter of the Arbitration Between:

Claimants
Ivanna Jazmin Freddi,
Monica Mariana Kuclik,
Rosario Freddi,
and Juan M. Freddi

vs.

Respondent
UBS Financial Services Inc.

Nature of the Dispute: Customers vs. Member
This case was decided by an all-public panel.

REPRESENTATION OF PARTIES

For Claimants Ivanna Jazmin Freddi, Monica Mariana Kuclik, Rosario Freddi, and Juan M. Freddi (collectively “Claimants”): Mark A. Tepper, Esq., Mark A. Tepper, P.A., Ft. Lauderdale, Florida and Maria Isabel Hoelle, Esq., Lombana Hoelle Trial Law, Coral Gables, Florida.


CASE INFORMATION

Statement of Claim filed on or about: October 22, 2018.
Claimants signed the Submission Agreement: October 19, 2018.

Statement of Answer filed on or about: December 11, 2018.
Respondent signed the Submission Agreement: October 25, 2018.

CASE SUMMARY

In the Statement of Claim, Claimants asserted that Respondent is liable for its unsuitable recommendations that violated the Florida Securities and Investor Protection Act and many FINRA rules. Claimants allege that their broker, a registered representative of Respondent, incorrectly coded transactions as unsolicited, listed Claimants' risk profile as aggressive/speculative, exercised unauthorized discretion over Claimants' accounts, and misappropriated funds related to a real estate scheme for his personal use, including to build a home for himself.
Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

**RELIEF REQUESTED**

In the Statement of Claim, Claimants requested an award of $4,709,076.00 in compensatory damages, $539,574.00 for reimbursement of the commissions and sale credits charged in Claimants’ accounts, $1,500,000.00 for the misappropriated funds, $263,000.00 for interest paid by Claimants, pre-judgment interest at the legal rate in Florida, attorneys’ fees, $250,000.00 in punitive damages, $2,250.00 for the FINRA filing fee plus any additional accrued forum fees, and such other and further relief as is fair and equitable.

In the Statement of Answer, Respondent requested an award against Claimants, dismissing the Statement of Claim in its entirety with prejudice, and for such other and further relief as the Panel deems just and proper.

**OTHER ISSUES CONSIDERED AND DECIDED**

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

On or about May 10, 2019, Claimants filed a Motion to Enforce the Chairperson’s [April 3, 2019] Discovery Order (“Motion to Enforce”), in which Claimants requested sanctions against Respondent. On or about May 20, 2019, Respondent filed a Reply opposing the Motion to Enforce. On or about May 23, 2019, Claimants’ filed a Reply in Support of Motion to Enforce. A pre-hearing conference was held on June 27, 2019 to hear the parties’ oral arguments on the Motion to Enforce. The pre-hearing conference was adjourned so that the parties could attempt to settle their discovery disputes and no determination was made with respect to sanctions.

On or about November 20, 2019, Claimants filed a Motion to Enforce the Chairperson’s [September 14, 2019] Discovery Order (“Second Motion to Enforce”), in which Claimants again requested sanctions against Respondent. On or about November 23, 2019, Claimants filed an Amendment to the Second Motion to Enforce. On or about November 26, 2019, Respondent filed a Response in opposition to the Second Motion to Enforce, in which Respondent requested sanctions against Claimants. In an Order dated November 27, 2019, the parties were told that oral arguments and requests for sanctions would be entertained at the hearing on December 3, 2019. The Panel herein denies Claimants’ and Respondent’s requests for sanctions.

The parties present at the hearing 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. Claimants’ claims are denied in their entirety.

2. Any and all claims for relief not specifically addressed herein, including punitive damages and attorneys’ fees, are denied.

3. Other than forum fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter.

**FEES**

Pursuant to the Code of Arbitration Procedure, the following fees are assessed:

**Filing Fees**
FINRA Office of Dispute Resolution assessed a filing fee* for each claim:

- Initial Claim Filing Fee = $2,250.00

*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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party, Respondent is assessed the following:

- Member Surcharge = $3,600.00
- Member Process Fee = $6,800.00

**Discovery-Related Motion Fee**
Fees apply for each decision rendered on a discovery-related motion.

- Two (2) decisions on discovery-related motions on the papers with one (1) arbitrator @ $200.00/decision = $ 400.00

Claimants submitted one (1) discovery-related motion
Respondent submitted one (1) discovery-related motion

Total Discovery-Related Motion Fees = $ 400.00

The Panel has assessed $200.00 of the discovery-related motion fees to Claimants jointly and severally.

The Panel has assessed $200.00 of the discovery-related motion 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 arbitrator(s), including a pre-hearing
conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

<table>
<thead>
<tr>
<th>Activity Description</th>
<th>Fee Rate</th>
<th>Sessions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three (3) pre-hearing sessions with a single arbitrator</td>
<td>$450.00/session</td>
<td>1 session</td>
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<tr>
<td>Pre-hearing Conferences:</td>
<td></td>
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<tr>
<td>April 3, 2019</td>
<td></td>
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<tr>
<td>June 27, 2019</td>
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<tr>
<td>September 13, 2019</td>
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<tr>
<td>One (1) pre-hearing session with the Panel</td>
<td>$1,500.00/session</td>
<td>1 session</td>
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<tr>
<td>Pre-hearing Conference:</td>
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<td>February 25, 2019</td>
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<tr>
<td>Five (5) hearing sessions</td>
<td>$1,500.00/session</td>
<td>1 session</td>
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<tr>
<td>Hearing Dates:</td>
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<tr>
<td>December 3, 2019</td>
<td></td>
<td>2 sessions</td>
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<tr>
<td>December 4, 2019</td>
<td></td>
<td>3 sessions</td>
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<tr>
<td>December 5, 2019</td>
<td></td>
<td>3 sessions</td>
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<tr>
<td>December 6, 2019</td>
<td></td>
<td>3 sessions</td>
</tr>
<tr>
<td>December 7, 2019</td>
<td></td>
<td>2 sessions</td>
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Total Hearing Session Fees = $22,350.00

The Panel has assessed $11,175.00 of the hearing session fees to Claimants jointly and severally.

The Panel has assessed $11,175.00 of the hearing session fees to Respondent.

All balances are payable to FINRA Office of Dispute Resolution and are due upon receipt.
FINRA Office of Dispute Resolution  
Arbitration No. 18-03652  
Award Page 5 of 5

**ARBITRATION PANEL**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
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<tbody>
<tr>
<td>Richard Carl Smukler</td>
<td>Public Arbitrator, Presiding Chairperson</td>
</tr>
<tr>
<td>Virginia Lee Perez</td>
<td>Public Arbitrator</td>
</tr>
<tr>
<td>Michael B Goldstein</td>
<td>Public Arbitrator</td>
</tr>
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I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

**Richard Carl Smukler**  
12/17/2019  
Richard Carl Smukler  
Public Arbitrator, Presiding Chairperson

**Michael B Goldstein**  
12/17/2019  
Michael B Goldstein  
Public Arbitrator

**Dissenting Arbitrators' Signatures**

<table>
<thead>
<tr>
<th>Name</th>
<th>Role</th>
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</thead>
<tbody>
<tr>
<td>Virginia Lee Perez</td>
<td>Public Arbitrator</td>
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</tbody>
</table>

December 18, 2019  
Date of Service (For FINRA Office of Dispute Resolution office use only)