

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

PaineWebber, Inc.

93-00511

Name of Respondent

Paul B. Ciceri

REPRESENTATION

For Claimant, PaineWebber, Inc., ("PW"): Joseph A. Vallo, Esq. of PaineWebber, Inc.

For Respondent, Paul B. Ciceri: pro se.

CASE INFORMATION

Statement of Claim filed: 2/10/93

Claimant's Submission Agreement signed on: 2/4/93 by Gary Stegeland on behalf of the firm.

Statement of Answer filed by Respondent: 4/5/93.

Respondent's Submission Agreement signed on: 4/2/93.

HEARING INFORMATION

Hearing Date/Sessions: 11-11-93/One (1) session.

Hearing Location: Tampa, Florida.

CASE SUMMARY

Claimant alleged that on April 25, 1990, PW advanced Ciceri the sum of \$54,235.00 and that Ciceri signed a promissory note ("the Note") in that amount in connection with his employment. Claimant stated that the terms of the Note provided, in pertinent part, that Ciceri's indebtedness would be forgiven in four equal annual installments of \$13,558.75

each, provided that certain conditions were met, but that if Ciceri's employment by PW were terminated for any reason whatsoever prior to the due date of the Note, then PW, at its option, may declare the Note immediately due and payable. Claimant further stated that Ciceri's employment with PW was terminated after the second anniversary of employment leaving a balance due to PW of one-half (1/2) of the Note but that both parties agreed that Ciceri would have to pay PW only \$13,000.00 of the balance. Claimant alleged that it has served a demand letter upon Ciceri requesting payment of the balance due but that Ciceri has not repaid the \$13,000.00 agreed upon.

Respondent denied all allegations of wrongdoing and maintained that the parties agreed that he would repay \$13,000.00 of the unforgiven amount of \$27,117.50 at the time of his termination from PW but that thereafter Claimant demanded twice the amount of the agreed-upon amount which caused him much emotional anxiety and stress. Ciceri maintained that based upon PW's breach of faith the Claim should be denied in its entirety.

RELIEF REQUESTED

Claimant originally requested an award of \$27,117.50 in the Statement of Claim but verbally amended the claim at the hearing to the amount of \$13,000.00 with interest accruing from December 31, 1992 at the statutory rate for the State of Florida plus \$1,100.00 filing and forum fees, plus \$600.00 miscellaneous costs.

Respondent requested that the Claim be denied in its entirety and that all costs of this arbitration be borne by the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

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. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

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

1. Respondent, Ciceri is found liable and shall pay to the Claimant, PW, the amount of \$13,000.00, with interest accruing from November 11, 1993 at the annual rate of 7.50% to the date of satisfaction of this Award.

OTHER COSTS

The parties shall each bear their own costs and expenses incurred in connection with this proceeding including attorney's fees.

FORUM FEES

Pursuant to Section 44c of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$600.00 (One (1) hearing session X \$600.00).

1. Claimant, PW, is hereby assessed forum fees in the amount of \$600.00 for which the NASD shall retain the \$600.00 previously deposited in full satisfaction thereof.
2. The NASD shall retain the non-refundable filing fee of \$500.00 paid by Claimant.

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

Allison Hardage

Industry/Chairperson

/s/

Willard E. Fawcett

Industry/Panelist

/s/

J. David Stillman

Industry/Panelist

Date of Decision: January 4, 1994