

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant

PaineWebber Incorporated

v.

Arbitration No.

96-04829

Name of Respondent

Robert L. Cirillo

REPRESENTATION

For Claimant:

Kathryn L. Krebs, Esq.
PaineWebber Incorporated
Los Angeles, California

For Respondent:

No Appearance

CASE INFORMATION

Statement of Claim filed:

October 29, 1996

Claimant's Submission Agreement signed:

August 29, 1996

Statement of Answer filed by
Respondent Robert L. Cirillo

December 27, 1996

Respondent Robert L. Cirillo's
Submission Agreement signed:

December 27, 1996

HEARING INFORMATION

Pre Hearing Conference Date / Session: March 13, 1997 (1 Session)
Hearing Date / Session: March 19, 1998 (1 Sessions)
Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent defaulted on two promissory notes in connection with Respondent's employment with the Claimant.

Respondent denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim. Respondent further alleged he was constructively terminated by the Claimant.

RELIEF REQUESTED

Claimant requested \$78,063.69 in compensatory damages, plus interest, attorney's fees and costs.

Respondent requested that the Arbitration Panel dismiss the Claimant's claim in its entirety. Respondent also requested an award of compensatory damages in a sum equal to the face value of the "First Year Bonus Note."

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed either 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 original remains on file with the NASD Regulation, Inc., Office of Dispute Resolution.

AWARD

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

- 1) Respondent Robert L. Cirillo is liable to and shall pay to Claimant PaineWebber, Incorporated, the principal sum of \$72,604.84.
- 2) Respondent Robert L. Cirillo is liable to and shall pay to Claimant PaineWebber, Incorporated, \$10,164.68 for the accrued interest to date on the principal.

- 3) Pursuant to the agreed upon terms of the promissory notes, Respondent Robert L. Cirillo is liable to and shall pay to Claimant PaineWebber, Incorporated, \$1700.00 for attorney's fees pursuant to the terms of the promissory notes.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

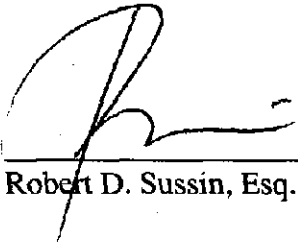
One Pre-Hearing Conference Session @ \$600.00/Session	= \$600.00
<u>One Hearing Sessions @ \$ \$600.00/Session</u>	<u>= \$600.00</u>
Total Fees Assessed:	= \$1,200.00
 Claimant PaineWebber, Incorporated's One Half-Share	 = \$600.00
<u>Less Claimant's Hearing Session Deposit</u>	<u>= \$600.00</u>
Claimant's Balance Due and Owing	= \$0.00
 <u>Respondent Robert L. Cirillo's One Half-Share</u>	 <u>= \$600.00</u>
Respondent's Balance Due and Owing	= \$600.00

Fees are payable to NASD Regulation, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Robert D. Sussin, Esq.	Public Arbitrator
Leo B. Rotter	Industry Arbitrator
Michael G. Clark	Public Arbitrator

Concurring Arbitrators' Signatures



Robert D. Sussin, Esq.

Leo B. Rotter

Michael G. Clark


Date of Service: _____

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
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Leo B. Rotter	Industry Arbitrator
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Robert D. Sussin, Esq.



Leo B. Rotter

Michael G. Clark

Date of Service: _____

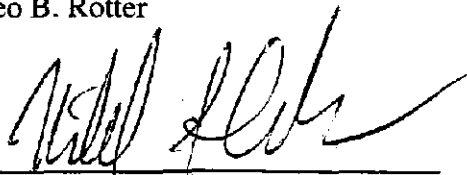
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Michael G. Clark	Public Arbitrator

Concurring Arbitrators' Signatures

Robert D. Sussin, Esq.

Leo B. Rotter



Michael G. Clark

Date of Service: APRIL 9, 1998