

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Louis C. Villamana, as Trustee of the Louis C. Villamana Trust, Carol A. Villamana, as Trustee of the Carol A. Villamana Revocable Trust (Claimants) vs. UBS Financial Services Inc. (Respondent)

Case Number: 08-04021

Hearing Site: Hartford, Connecticut

Nature of the Dispute: Customers vs. Member.

Public Arbitrator Pilot Program/All Public Panel.

REPRESENTATION OF PARTIES

Claimants, Louis C. Villamana, as Trustee of Louis C. Villamana Trust ("L. Villamana Trust") and Carol A. Villamana, as Trustee of the Carol A. Villamana Revocable Trust ("C. Villamana Trust"), hereinafter collectively referred to as "Claimants": Seth E. Lipner, Esq., Deutsch & Lipner, Garden City, NY.

Respondent UBS Financial Services Inc., hereinafter referred to as "Respondent": Kenneth G. Crowley, Esq., UBS Financial Services Inc., Weehawken, NJ.

CASE INFORMATION

Statement of Claim filed on or about: October 29, 2008.

L. Villamana signed the Uniform Submission Agreement: October 27, 2008.

C. Villamana signed the Uniform Submission Agreement: October 27, 2009.

Statement of Answer filed by Respondent on or about: January 13, 2009.

Respondent signed the Uniform Submission Agreement: January 13, 2009.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitable investments, misrepresentations, and negligence. The causes of action relate to purchases of preferred stock in Countrywide Mortgage, Merrill Lynch, Citigroup, and Fannie Mae.

Unless specifically admitted in its 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 compensatory damages in the amount of \$140,000.00, disgorgement of fees and commissions, costs, and interest.

Respondent requested that the Statement of Claim be dismissed, and requested costs, attorneys' fees, and such other and further relief as the arbitrators deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

The Panel acknowledges that they have each read the pleadings and other materials filed by the parties.

This case proceeded under the Public Arbitrator Pilot Program, which allows parties to choose whether to have a non-public arbitrator on the panel.

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.

AWARD

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

1. Respondent is liable for and shall pay to L. Villamana Trust \$37,808.16 in compensatory damages plus interest at the rate of 8% per annum from May 19, 2008 until November 25, 2008.
2. Respondent is liable for and shall pay to C. Villamana Trust \$37,808.16 in compensatory damages plus interest at the rate of 8% per annum from May 19, 2008 until November 25, 2008.
3. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial claim filing fee = \$1,425.00

**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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, UBS Financial Services Inc. is assessed the following:

Member surcharge = \$1,700.00
Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

August 11-13, 2009 adjournment by Respondent = \$1,125.00

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00
Pre-hearing conference: April 23, 2009 1 session

Four (4) Hearing sessions @ \$1,125.00 = \$4,500.00
Hearing Dates: October 21, 2009 2 sessions
October 22, 2009 2 sessions

Total Hearing Session Fees = \$5,625.00


1. The Panel has assessed \$2,812.50 of the hearing session fees to Claimants.
2. The Panel has assessed \$2,812.50 of the hearing session fees to Respondent.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

Marvin H. Ginsky - Public Arbitrator, Presiding Chairperson
Roger L. Crossland - Public Arbitrator
Henry T. Vogt - Public Arbitrator

Concurring Arbitrators' Signatures


Marvin H. Ginsky
Public Arbitrator, Presiding Chairperson


Signature Date

Roger L. Crossland
Public Arbitrator

Signature Date

Henry T. Vogt
Public Arbitrator

Signature Date

October 29, 2009
Date of Service (For FINRA Dispute Resolution use only)


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Roger L. Crossland - Public Arbitrator
Henry T. Vogt - Public Arbitrator

Concurring Arbitrators' Signatures

Marvin H. Ginsky
Public Arbitrator, Presiding Chairperson

Signature Date


Roger L. Crossland
Public Arbitrator

10/27/09
Signature Date

Henry T. Vogt
Public Arbitrator

Signature Date

October 29, 2009
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Roger L. Crossland - Public Arbitrator
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Concurring Arbitrators' Signatures

Marvin H. Ginsky
Public Arbitrator, Presiding Chairperson

Signature Date

Roger L. Crossland
Public Arbitrator

Signature Date

Henry T. Vogt
Henry T. Vogt
Public Arbitrator

10/28/09
Signature Date

October 29, 2009
Date of Service (For FINRA Dispute Resolution use only)