

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimants

UBS Financial Services Inc.
UBS Credit Corp.

Case Number: 16-03008

vs.

Respondent

William F. Quinn

Hearing Site: Philadelphia, Pennsylvania

Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Member and Non-Member vs. Associated Person

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Claimants UBS Financial Services Inc. and UBS Credit Corp.: Laurie A. Perez, Esq., Howard & Howard Attorneys PLLC, Chicago, Illinois.

Respondent William F. Quinn appeared pro se. Daniel D’Costa, Esq., D’Costa Law, P.C., Hicksville, New York appeared briefly at the hearing. See the Other Issues Considered and Decided section of this Award for additional information.

CASE INFORMATION

Statement of Claim filed on or about: October 13, 2016.

Answer to Counterclaim filed on or about: February 9, 2017.

UBS Financial Services Inc. signed the Submission Agreement: October 12, 2016.

UBS Credit Corp. signed the Submission Agreement: October 12, 2016.

Statement of Answer and Counterclaim filed by Respondent on or about: January 20, 2017.

William F. Quinn signed the Submission Agreement: January 20, 2017.

CASE SUMMARY

In the Statement of Claim, Claimants asserted the following causes of action: breach of contract; breach of promissory notes; and unjust enrichment.

Unless specifically admitted in the Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

In the Counterclaim, Respondent asserted the following causes of action: fraudulent inducement; promissory estoppel; breach of the implied covenant of good faith and fair dealing; and defamation.

Unless specifically admitted in the Answer to the Counterclaim, Claimants denied the allegations made in the Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested compensatory damages in the amount of \$269,812.27, plus accrued interest as provided in the Notes; costs of the arbitration, including filing fees, forum fees, attorneys' fees, and interest; and such other and further relief as may be just and proper.

In the Statement of Answer, Respondent requested that the Panel enter judgment in his favor and against Claimants and award reasonable attorneys' fees and costs; and such other relief as the Panel deems just and equitable.

In the Counterclaim, Respondent requested actual, compensatory, and punitive damages in the amount of \$1,000,000.00; attorneys' fees; costs; and such other relief as the Panel deems just and equitable.

In the Answer to Counterclaim, Claimants requested that the Panel dismiss the Counterclaim with prejudice; award attorneys' fees and costs; grant the relief sought in the Statement of Claim, and such other and further relief as the Panel deems just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

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

On August 17, 2021, Claimants filed a Motion to Bar pursuant to FINRA Rules 13511, 13212, and 13514 requesting the Panel bar Respondent from presenting any defenses, counterclaims, or evidence at the hearing, including any undisclosed documents, information, or witnesses, on the following grounds: (a) Respondent's failure to produce any documents or requested information in response to Claimants' discovery requests in violation of (i) FINRA Rules 13505 and 13507 and (ii) two FINRA discovery orders requiring production of the same; (b) Respondent's failure to disclose his witness list and exhibits in violation of FINRA Rule 13514. On August 23, 2021, Respondent filed an Opposition to Claimants' Motion to Bar. On August 23, 2021 Claimants filed a Reply to Respondent's Opposition to Claimants' Motion to Bar.

On August 19, 2021, Respondent filed a Motion to Adjourn the hearings scheduled for August 24-25, 2021. On August 20, 2021, Claimants objected to Respondent's Motion to Adjourn. By Order dated August 23, 2021, the Panel denied Respondent's Motion to Adjourn.

Daniel D'Costa, Esq. entered appearance for Respondent at the August 24, 2021 hearing and requested adjournment of the hearings. Claimants opposed the request. After due deliberation, the Panel denied Respondent's adjournment request. Daniel D'Costa, Esq., then informed the Panel that he appeared at the hearing solely to request an adjournment and that he will no longer represent Respondent in any capacity for this proceeding and he exited the hearing.

The evidentiary hearing on August 24, 2021 was conducted by videoconference. Respondent initially appeared at the hearing but terminated his participation while the Panel was in a deliberation session considering Claimants' Motion to Bar. Respondent terminated his participation in the hearing prior to the presentation of evidence by Claimants

The Panel read its decision on the Motion to Bar into the record during the August 24, 2021 hearing and also issued an Order dated August 25, 2021. The Panel granted Claimants' Motion to Bar in part. The Order stated: Based on Respondent's failure to comply with Rule 13514, Respondent's Counterclaim is dismissed. Respondent may cross examine Claimants' witnesses and use Claimants' exhibits but may not present any documents, information or witnesses due to his failure to comply with Rule 13514.

The Award in this matter may be executed in counterpart copies.

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 Claimants the sum of \$269,812.27.00 in compensatory damages.
2. Respondent is liable for and shall pay to Claimants the sum of \$32,955.12 in accrued and unpaid interest as of August 24, 2021.
3. Respondent is liable for and shall pay to Claimants interest at the daily rate of \$17.52 from August 25, 2021 until the date all award amounts, including all accrued and unpaid interest, have been paid in full.
4. Respondent is liable for and shall pay to Claimants the sum of \$39.45 in costs.
5. Respondent is liable for and shall pay to Claimants the sum of \$63,869.05 in attorneys' fees pursuant to the terms of the promissory notes.
6. Respondent is liable for and shall pay to Claimant UBS Financial Services Inc. the sum of \$1,000.00 as reimbursement of the non-refundable portion of the filing fee.
7. All amounts paid by Respondent shall be applied first to reimbursement of attorneys' fees and costs awarded, then to accrued and unpaid interest, and then to the compensatory damages awarded until all amounts due have been paid in full.
8. Respondent's Counterclaim is dismissed.

9. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages, are denied.

FEES

Pursuant to the Code of Arbitration Procedure (“Code”), the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$ 2,125.00
Counterclaim Filing Fee	= \$ 1,725.00

**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, Claimant UBS Financial Services Inc. is assessed the following:

Member Surcharge	= \$ 1,900.00
Member Process Fee	= \$ 5,075.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

March 6-8, 2018, postponement requested by the parties	= \$ 1,300.00
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Total Postponement Fees	= \$ 1,300.00
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The Panel has assessed \$650.00 of the postponement fees jointly and severally to Claimants.

The Panel has assessed \$650.00 of the postponement fees to Respondent.

Discovery-Related Motion Fees

Fees apply for each decision rendered on a discovery-related motion.

One (1) decision on a discovery-related motion on the papers with one (1) Arbitrator @ \$200.00/decision	= \$ 200.00
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Claimants submitted 1 (one) discovery-related motion

Total Discovery-Related Motion Fees	= \$ 200.00
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The Panel has assessed the total 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 Arbitrators, including a pre-hearing conference with the Arbitrators, which lasts four (4) hours or less. Fees associated with these proceedings are:

Four (4) pre-hearing sessions with the Panel @ \$1,300.00/session	= \$	5,200.00
Pre-Hearing Conferences: June 19, 2017	1 session	
September 9, 2019	1 session	
April 14, 2020	1 session	
March 5, 2021	1 session	
	= \$	1,300.00
One (1) hearing session @ \$1,300.00/session		
Hearing: August 24, 2021	1 session	
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Total Hearing Session Fees	= \$	6,500.00

The Panel has assessed \$2,600.00 of the hearing session fees jointly and severally to Claimants.

The Panel has assessed \$3,900.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Gregory Hunter Mathews	-	Public Arbitrator, Presiding Chairperson
Kathleen K. Murphy	-	Public Arbitrator
Robert C. Scanlan	-	Non-Public Arbitrator

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

Gregory Hunter Mathews

Gregory Hunter Mathews
Public Arbitrator, Presiding Chairperson

08/27/2021

Signature Date

Kathleen K. Murphy

Kathleen K. Murphy
Public Arbitrator

08/30/2021

Signature Date

Robert C. Scanlan

Robert C. Scanlan
Non-Public Arbitrator

08/29/2021

Signature Date

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August 31, 2021

Date of Service (For FINRA Dispute Resolution Services use only)