

Award
FINRA Dispute Resolution Services

In the Matter of the Arbitration Between:

Claimant

Sherrie Pellini, as Trustee of the Sherrie Pellini
Revocable Trust

Case Number: 19-01410

vs.

Respondent

UBS Financial Services Inc.

Hearing Site: New York, New York

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: Customer vs. Member

This case was decided by an all-public panel.

The evidentiary hearing was conducted by videoconference.

REPRESENTATION OF PARTIES

For Sherrie Pellini, as Trustee of the Sherrie Pellini Revocable Trust: Jacob H. Zamansky, Esq. and Samuel E. Bonderoff, Esq., Zamansky LLC, New York, New York.

For Respondent UBS Financial Services Inc.: Joseph Serino, Jr., Esq. and Kuan Huang, Esq., Latham & Watkins LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: May 21, 2019.

Sherrie Pellini, as Trustee of the Sherrie Pellini Revocable Trust signed the Submission Agreement: May 24, 2019.

Statement of Answer filed by Respondent on or about: August 28, 2019

UBS Financial Services Inc. signed the Submission Agreement: May 29, 2019.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: securities fraud; common law fraud; misrepresentation; unsuitability; unsuitable product; breach of fiduciary duty; breach of contract; negligence; and failure to supervise, in violation of federal securities laws,

Connecticut state securities laws and common law, and FINRA rules. The causes of action relate to investment in Respondent's Yield Enhancement Strategy ("YES") managed account program.

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, Claimant requested: equitable relief of rescission of all trading losses, mandates, and margin balances; compensatory damages of approximately \$750,000, including recovery of all trading losses and fees received by Respondent; disgorgement of all commissions, fees, and charges received by Respondent; pre- and post-award interest, costs, expenses, attorneys' fees, expert fees, and forum fees; and punitive damages in such amount as deemed appropriate and just to punish and deter Respondent from any future similar conduct.

In the Statement of Answer, Respondent requested an award dismissing the Statement of Claim in its entirety and with prejudice; and expunging this matter (Occurrence Number 2036219) from Unnamed Party Robert B. Perlman's (CRD No. 1892131) CRD record.

At the hearing, Respondent requested attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

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

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

AWARD

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

1. Claimant's claims are denied in their entirety.
2. Robert B. Perlman's request for expungement of the above-captioned arbitration (Occurrence Number 2036219) from his registration records maintained by the CRD is denied.
3. Any and all claims for relief not specifically addressed herein, including any requests for punitive damages and attorneys' fees, 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 = \$ 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 event rise to the dispute. Accordingly, as a party, Respondent UBS Financial Services Inc. is assessed the following:

Member Surcharge = \$ 2,475.00
Member Process Fee = \$ 5,075.00

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

One (1) pre-hearing session with a single Arbitrator @ \$450.00/session = \$ 450.00
Pre-Hearing Conference: May 18, 2020 1 session

Two (2) pre-hearing sessions with the Panel @ \$1,300.00/session = \$ 2,600.00
Pre-Hearing Conferences: September 24, 2019 1 session
November 24, 2020 1 session

Fourteen (14) hearing sessions @ \$1,300.00/session = \$ 18,200.00
Hearings: January 25, 2021 2 sessions
January 26, 2021 2 sessions
January 27, 2021 2 sessions
January 28, 2021 2 sessions
January 29, 2021 2 sessions
February 5, 2021 2 sessions
February 19, 2021 2 sessions

Total Hearing Session Fees = \$ 21,250.00

The Panel has assessed \$10,625.00 of the hearing session fees to Claimant.

The Panel has assessed \$10,625.00 of the hearing session fees to Respondent.

ARBITRATION PANEL

Gerald M. Levine	-	Public Arbitrator, Presiding Chairperson
Michael Jaffe	-	Public Arbitrator
Vaughn Norman Browne	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Concurring Arbitrators' Signatures

Gerald M. Levine

Gerald M. Levine
Public Arbitrator, Presiding Chairperson

03/11/2021

Signature Date

Michael Jaffe

Michael Jaffe
Public Arbitrator

03/12/2021

Signature Date

Dissenting Arbitrator's Signature

Vaughn Norman Browne

Vaughn Norman Browne
Public Arbitrator

03/10/2021

Signature Date

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.

March 12, 2021

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