

Award
FINRA Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Gontran De Quillacq

Case Number: 13-02861

vs.

Respondent
HSBC Securities (USA) Inc.

Hearing Site: New York, New York

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant Gontran De Quillacq: Barry R. Lax, Esq., Lax & Neville LLP, New York, New York.

For Respondent HSBC Securities (USA) Inc.: Allan S. Bloom, Esq., Proskauer Rose, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: September 27, 2013.

Claimant signed the Submission Agreement: September 13, 2013.

Statement of Answer filed by Respondent on or about: November 25, 2013.

Respondent signed the Submission Agreement: November 25, 2013.

CASE SUMMARY

Claimant asserted the following causes of action: abuse of the Form U5, defamation, slander and libel, tortious interference with business relationships, breach of contract, unjust enrichment and/or restitution, breach of industry standards, standards of commercial honor and principles of trade, quantum meruit, violation of New York Labor Law, and violation of the Employee Retirement Income Securities Act of 1974.

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, Claimant requested payment of all of his bonus compensation, wages, severance and restricted shares units, expungement of his Form U5, interest, punitive damages, attorneys' fees, costs, and such other further relief as deemed just, equitable and proper.

Respondent requested that Claimant's claim be dismissed, attorneys' fees, costs, and such other and further relief as deemed just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

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

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 Claimant compensatory damages in the amount of \$79,235.65 plus interest at the rate of 9% per annum from October 2, 2012 until the award is paid in full.
2. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$20,000.00. The Panel awarded attorneys' fees as both parties requested attorneys' fees.
3. Respondent is liable for and shall pay to Claimant costs in the amount of \$3,510.22.
4. The Panel recommends the expungement of the Termination Explanation from Section 3 of Claimant Gontran De Quillacq's (CRD # 5116610) Form U5 filed by HSBC Securities (USA) Inc. on November 1, 2012 and maintained by the Central Registration Depository ("CRD"). The Termination Explanation shall be replaced with the following: "Gontran De Quillacq was unjustly terminated based on his supervisor's failure to supervise, inadequate trading system, and an error of another employee, which was not attributable to Gontran De Quillacq." The Reason for Termination shall remain the same.

These recommendations apply to all subsequent disclosures concerning the same events. The above recommendations are based on the defamatory nature of the information.

The Form U5 is not automatically amended to include the changes indicated above. Claimant Gontran De Quillacq must forward a copy of this Award to FINRA's Registration and Disclosure Department for the amendments to be incorporated into the Form U5.

5. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$ 1,250.00

**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, HSBC Securities (USA) Inc. is assessed the following:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 2,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 27- 30, 2015 adjournment by the parties WAIVED

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 the Panel @ \$1,000.00 = \$ 1,000.00
Pre-hearing conference: May 1, 2015 1 session

Eight (8) Hearing sessions @ \$1,000.00 = \$ 8,000.00
Hearing Dates: August 4, 2015 2 sessions
August 5, 2015 2 sessions
August 6, 2015 2 sessions
August 7, 2015 2 sessions

Total Hearing Session Fees = \$ 9,000.00

The Panel has assessed the hearing session fees of \$9,000.00 to Respondent.


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

ARBITRATION PANEL

Howard D. Jacob	-	Public Arbitrator, Presiding Chairperson
Linda Ashley	-	Public Arbitrator
Ernesto Jose Mejer	-	Non-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



Howard D. Jacob
Public Arbitrator, Presiding Chairperson



Signature Date

Linda Ashley
Public Arbitrator

Signature Date

Ernesto Jose Mejer
Non-Public Arbitrator

Signature Date

September 8, 2015

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

ARBITRATION PANEL

Howard D. Jacob	-	Public Arbitrator, Presiding Chairperson
Linda Ashley	-	Public Arbitrator
Ernesto Jose Mejer	-	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

Signature Date



Linda Ashley
Public Arbitrator



Signature Date

Ernesto Jose Mejer
Non-Public Arbitrator

Signature Date

September 8, 2015

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