

Stipulated Award
Pacific Exchange Inc.

In the Matter of the Arbitration Between:

Milton A. Arenson and Laura M. Arenson v. Salomon Smith Barney, Inc., Rebecca Rothstein and Robert Perry

Case Number: PCX 01-L022

Hearing Site: Los Angeles, California

Nature of Dispute: Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimants:

**Kristin M. Cano
Law Offices of Kristin M. Cano
Newport Beach, California**

For Respondents:

**Michael M. Gless
Keesal, Young & Logan
Long Beach, California**

CASE INFORMATION

Joint Statement of Claim filed: October 17, 2001

Amended Statement of Claim filed: November 16, 2004

Claimants' Uniform Submission Agreement filed: October 11, 2001

Joint Statement of Answer filed by Respondents Salomon Smith Barney, Rebecca Rothstein and Robert Perry: December 10, 2001

**Respondent Salomon Smith Barney's Uniform
Submission Agreement signed: December 21, 2001**

**Respondent Rebecca Rothstein's Uniform
Submission Agreement signed: December 27, 2001**

**Respondent Robert Perry's Uniform
Submission Agreement signed: December 17, 2001**

LB1084721

Respondents signed Pacific Exchange Waiver Agreement re: California Civil Code § 1542 on May 5, 2003.

Claimants' Dismissal With Prejudice of Individual Respondents Rebecca Rothstein and Robert Perry filed: January 30, 2006

Claimants' Notice of Non-Opposition to Expungement of CRD Records of Rebecca Rothstein and Robert Perry filed: February 10, 2006

CASE SUMMARY

Claimants alleged the following claims with respect to investments in various securities between 1999 and 2001: (1) Negligance; (2) Breach of Contract; (3) Failure to Supervise; (4) Breach of Fiduciary Duty; (5) Common Law Fraud; (6) Infliction of Emotional Distress; and (7) Violations of California and Federal Securities Laws.

Respondents denied Claimants' allegations of wrongdoing and denied any liability to Claimants. Respondents also asserted various affirmative defenses. Respondents Rothstein and Perry also sought expungement of their CRD records relating to this claim.

RELIEF REQUESTED

Claimants requested:

1. Damages of approximately \$200,000 plus interest and commissions.

Respondents requested:

1. That Claimants take nothing by their Statement of Claim;
2. Costs;
3. Expungement of the claim from Ms. Rothstein and Mr. Perry's CRD records.

OTHER ISSUES CONSIDERED

The Panel 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, testimony and evidence presented at the expungement hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. On or about February 10, 2006, the Exchange was advised that the parties had reached a settlement in this matter.
2. A hearing was held on February 21, 2006, regarding Respondents Rebecca Rothstein and Robert Perry's request to expunge their CRD records. Ms. Rothstein and Mr. Perry were present, as were their attorneys, Michael Gless and Audette Morales. Having heard substantial testimony from both moving parties and after carefully considering Respondents' documentary evidence, submissions, pleadings, oral arguments, and premises contained therein, the Panel grants Respondents' requests. In granting the said requests, the Panel recommends that Respondents Rothstein's and Perry's respective CRD records be expunged with respect to the instant action.
3. Each party shall bear its own costs, including attorney's fees.
4. All other relief not expressly granted is denied.

FEES AND ASSESSMENTS

Forum Fees

The forum fees are as follows:

11/8/02 PHC	\$750 to Respondents and \$500 adjournment fee to Respondents
7/14/03 PHC	\$375 to Claimants and \$375 to Respondents
11/25/03 PHC	\$750 to Respondents
1/9/04 PHC	\$300 to Claimants
5/4/04 PHC	\$750 to Respondents
6/4/04 PHC	\$750 to Claimants
11/30/04 PHC	\$750 to Respondents
7/8/05 PHC	\$750 to Claimants and \$1,000 adjournment fee to Claimants
2/21/06	Expungement hearing \$750 to Respondents
\$3,925	Total forum fees assessed against Claimants
\$3,875	Total forum fees assessed against Respondents

Credits

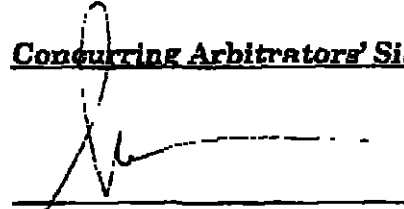
Claimants ~~has~~ paid a \$750 deposit (to be applied against the forum fees) and a \$200 filing fee. Respondent ~~has~~ paid a \$350 member surcharge.

ARBITRATION PANEL

Elliott Finkel, Esq.
Henry Bachrach
Mona Moore

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures



Elliott Finkel, Esq.
Chair, Public Arbitrator

3-6-06

Signature Date

Henry Bachrach
Public Arbitrator

Signature Date

Mona Moore
Non-Public Arbitrator

Signature Date

Date of Service

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Chair, Public Arbitrator

Signature Date



Henry Bachrach
Public Arbitrator

3-3-06

Signature Date

Mona Moore
Non-Public Arbitrator

Signature Date

Date of Service

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Chair, Public Arbitrator

Signature Date

Henry Bachrach
Public Arbitrator

Signature Date



Mona Moore
Non-Public Arbitrator

02/03/06

Signature Date

Date of Service