

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Theodore Gonedes (Claimant) vs. Salomon Smith Barney Inc. (Respondent)

Case Number: 02-06256

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Theodore Gonedes ("Gonedes"), hereinafter referred to as "Claimant":
Eric Rosenberg, Esq., Altman & Company, P.C., New York, NY.

Respondent, Salomon Smith Barney Inc., ("Salomon") hereinafter referred to as
"Respondent": Victor A. Machcinski, Jr., Esq., Salomon Smith Barney Inc., New York,
NY.

CASE INFORMATION

Statement of Claim filed on or about: October 18, 2002.

Claimant signed the Uniform Submission Agreement: July 24, 2002.

Statement of Answer filed by Respondent on or about: January 9, 2003.

Respondent signed the Uniform Submission Agreement: January 9, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: fraud, negligence, breach of fiduciary duty, breach of contract and violations of NASD Business Conduct Rules 2320 and 2110. Claimant's claim involved the following security: Applied Materials, Inc. (AMAT).

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

RELIEF REQUESTED

Claimant requested compensatory damages in an amount in excess of \$326,000.00, with interest thereon from March 15, 2000, attorneys' fees, costs, and such other and further relief as the Panel deems just and proper.

Respondent requested that the Claimant's Statement of Claim be dismissed, and that all fees and expenses, including forum fees and all other costs be awarded in their favor.

OTHER ISSUES CONSIDERED AND DECIDED

During the hearing Claimant filed a Motion to Strike Respondent's Post-hearing Submission. The panel denied the Motion.

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. Claimant's claims are hereby dismissed in their entirety.
2. Any and all relief not specifically addressed herein, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Salomon Smith Barney Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Forum Fees and Assessments

The Panel has assessed forum 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 17, 2003 1 session

Four (4) Hearing sessions with Panel @ \$1,125.00 = \$4,500.00
Hearing Dates: September 8, 2003 2 sessions
September 9, 2003 2 sessions

Total Forum Fees = \$5,625.00

1. The Panel has assessed \$2,812.50 of the forum fees against Claimant.
2. The Panel has assessed \$2,812.50 of the forum fees against Respondent

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 2,812.50
Total Fees	= \$ 3,112.50
<u>Less payments</u>	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

2. Salomon Smith Barney Inc. is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	= \$2,812.50
Total Fees	= \$8,012.50
<u>Less payments</u>	= \$7,200.00
Balance Due NASD Dispute Resolution	= \$ 812.50

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Howard Breindel, Esq.	-	Public Arbitrator, Presiding Chair
Harvey D. Moskowitz	-	Non-Public Arbitrator
Stewart E. Winner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

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.



Howard Breindel, Esq.
Public Arbitrator, Presiding Chairperson

10/24/03

Signature Date

Harvey D. Moskowitz
Non-Public Arbitrator

Signature Date

Stewart E. Winner
Non-Public Arbitrator

Signature Date

October 27, 2003

Date of Service (For NASD Dispute Resolution use only)

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Public Arbitrator, Presiding Chairperson

Signature Date



Harvey D. Moskowitz
Non-Public Arbitrator

10/27/03

Signature Date

Stewart E. Winner
Non-Public Arbitrator

Signature Date

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