
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Natalie Schwarz, individually and as Trustee of the
Natalie Schwarz Trust UA DTD 7/15/97

Case Number: 02-07608

Names of the Respondents

RBC Dain Rauscher, Inc.
Brad D. Jacobson

Hearing Site: Boca Raton, FL

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Natalie Schwarz ("Schwarz"), individually and as Trustee of the Natalie Schwarz Trust UA DTD 7/15/97 ("Schwarz Trust"), hereinafter referred to as "Claimant": Randall W. Henley, Esq., West Palm Beach, Florida.

For RBC Dain Rauscher, Inc. ("RBC") and Brad D. Jacobson ("Jacobson"): Christine Lazaro, Davidson & Grannum, LLP, Northvale, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: January 7, 2003.

Claimant signed the Uniform Submission Agreement: January 2, 2003.

Statement of Answer filed by Respondents on or about: March 20, 2003.

Respondent RBC signed the Uniform Submission Agreement: March 20, 2003.

Respondent Jacobson signed the Uniform Submission Agreement: March 21, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of fiduciary duty; 2) negligence; 3) fraud in the inducement; and 4) negligent supervision. The causes of action relate to Claimants' purchases in the Russell Tax Managed Large Cap. Fund, and the Goldman Sachs Internet Tollkeeper.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim, and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested an award of approximately \$83,000.00, plus interest and costs.

Respondents requested dismissal of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On or about March 19, 2004, Claimant advised NASD Dispute Resolution that the parties had fully and finally settled all claims by and between them.

Therefore, on or about April 28, 2004, the parties submitted a Stipulation to Dismiss and Expunge Registered Representative's Record together with a proposed Stipulated Award which requested that this matter be expunged from the registration records of Respondent Jacobson maintained by the NASD Central Registration Depository ("CRD").

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the Stipulation to Dismiss and Expunge Registered Representative's Record and the proposed Stipulated Award, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

1. The listed parties have amenablely resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Jacobson's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Jacobson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The parties shall bear their respective costs, including attorney's fees, except as fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein is denied in its entirety.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 225.00
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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 firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent RBC is a member firm and a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00

Hearing process fee	= \$1,700.00
Total Member Fees	= \$3,550.00

Adjournment Fees

No adjournments were granted during these proceedings for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred during these proceedings.

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 the Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: August 6, 2003	1 session

Total Forum Fees	= \$ 750.00
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The Panel has assessed \$375.00 of the forum fees to Claimant.

The Panel has assessed \$375.00 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
Retained Hearing Session Deposit	= \$ 375.00
pursuant to Rule 10332(f) of the Code	
Forum Fees	= \$ 375.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent RBC is solely liable for:

Member Fees	= \$3,550.00
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Total Fees	= \$3,550.00
<u>Less payments</u>	<u>= \$3,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$ 375.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 375.00

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

ARBITRATION PANEL

Steven N. Ainbinder, Esq.	-	Public Arbitrator, Presiding Chairperson
James J. Kenny, Esq.	-	Public Arbitrator
Leonard G. Cohen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Steven N. Ainbinder, Esq.
Public Arbitrator, Presiding Chairperson

August 8, 2004
Signature Date

/s/
James J. Kenny, Esq.
Public Arbitrator

August 9, 2004
Signature Date

/s/
Leonard B. Cohen
Non-Public Arbitrator

August 6, 2004
Signature Date

August 9, 2004
Date of Service (For NASD Dispute Resolution office use only)

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Total Fees	= \$3,550.00
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Respondents are jointly and severally liable for:

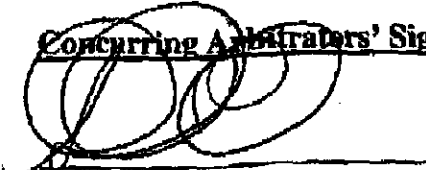
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James J. Kenny, Esq.	-	Public Arbitrator
Leonard G. Cohen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Steven N. Ainbinder, Esq.
Public Arbitrator, Presiding Chairperson


Signature Date

James J. Kenny, Esq.
Public Arbitrator

Signature Date

Leonard B. Cohen
Non-Public Arbitrator

Signature Date

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

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James J. Kenny, Esq.	-	Public Arbitrator
Leonard G. Cohen	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Steven N. Ainsbinder, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



James J. Kenny, Esq.
Public Arbitrator

Aug. 5, 2004

Signature Date

Leonard B. Cohen
Non-Public Arbitrator

Signature Date

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

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James J. Kenny, Esq.	-	Public Arbitrator
Leonard G. Cohen	-	Non-Public Arbitrator


Concurring Arbitrators' Signatures

Steven N. Ainbinder, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

James J. Kenny, Esq.
Public Arbitrator

Signature Date



Leonard B. Cohen
Non-Public Arbitrator

8-6-04

Signature Date

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