
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Dolores Sancetta, individually and on behalf
of various trusts

Case Number: 03-04913

Name of the Respondent

Salomon Smith Barney Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Dolores Sancetta, individually and on behalf of various trusts, hereinafter referred to as "Claimant": Scott J. Link, Esq., Ackerman, Link & Sartory, West Palm Beach, Florida.

For Salomon Smith Barney Inc., hereinafter referred to as "Respondent": Joseph C. Coates, III, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 30, 2003.

Claimants signed the Uniform Submission Agreement: June 16, 2003.

Statement of Answer filed by Respondent on or about: September 19, 2003.

Respondent signed the Uniform Submission Agreement: September 19, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: 1) violation of industry rules, including NASD Conduct Rule 3010 and Rule 2310; 2) unsuitability; 3) violation of Florida Statutes, Chapter 517.301; 4) negligence and negligent supervision; and, 5) breach of fiduciary duty. The causes of action relate to the purchase of various stocks in Claimant's accounts, including, but not limited to, Advanced Radio Telecom, Network Appliance, Nortel, Cisco, EMC, Worldcom and Nokia.

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 excess of \$2,000,000.00, interest, costs and attorney's fees pursuant to Florida Statutes, Chapter 517.301 and such other relief as this Panel deemed fair and appropriate.

Respondent requested that the Statement of Claim be dismissed, with prejudice, with costs associated with this proceeding assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be entered in counterpart copies or that a signed handwritten 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:

Respondent is found liable for negligence and breach of fiduciary duty and shall pay to Claimant compensatory damages in the amount of \$890,884.45, plus pre-judgment interest from 4/1/01 in the amount of \$294,431.21.

Parties are to pay their own respective fees and costs incurred to date.

Any and all claims for relief not specifically addressed herein, including Claimant's request for attorney's fees and all claims for relief pursuant to Florida Statutes, Chapter 517, are denied.

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	= \$500.00
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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 is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

Adjournment Fees

Adjournments filed in this matter for which fees were assessed:

March 22 - 24, 2005, joint request for adjournment	= \$1,500.00
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The Panel has assessed \$750.00 of the adjournment fee to Claimant.

The Panel has assessed \$750.00 of the adjournment fee to Respondent.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were assessed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: March 8, 2005 1 session	
One (1) Pre-hearing session with the Panel @ \$1,200.00	= \$1,200.00
Pre-hearing conference: January 16, 2004 1 session	
Five (5) Hearing sessions with the Panel @ \$1,200.00	= \$6,000.00
Hearing Dates: May 24, 2005 2 sessions	
May 25, 2005 3 sessions	
Total Forum Fees	= \$7,650.00

The Panel has assessed \$3,825.00 of the forum fees to Claimant.

The Panel has assessed \$3,825.00 of the forum fees to Respondent.

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	= \$ 500.00
Adjournment Fee	= \$ 750.00
<u>Forum Fees</u>	= \$ 3,825.00
Total Fees	= \$ 5,075.00
<u>Less payments</u>	= \$ 2,450.00
Balance Due NASD Dispute Resolution	= \$ 2,625.00

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Respondent is solely liable for:

Member Fees	= \$ 8,550.00
Adjournment Fee	= \$ 750.00
Forum Fees	= \$ 3,825.00
Total Fees	= \$ 13,125.00
Less payments	= \$ 10,072.50
Balance Due NASD Dispute Resolution	= \$ 3,052.50

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

ARBITRATION PANEL

<i>Leonard H. Wolf, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Franz C. Thame</i>	-	<i>Public Arbitrator</i>
<i>Alvin Spier</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Leonard H. Wolf, Esq.
Public Arbitrator, Presiding Chairperson

05/26/05
Signature Date

/s/
Franz C. Thame
Public Arbitrator

05/27/05
Signature Date

/s/
Alvin Spier
Non-Public Arbitrator

05/26/05
Signature Date

05/27/05
Date of Service (For NASD Dispute Resolution office use only)

FROM :NASD


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 Leonard H. Wolf, Esq.
 Public Arbitrator, Presiding Chairperson


 Signature Date

 Franz C. Thame
 Public Arbitrator

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Franz C. Thame
Alvin Spier

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator
- Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

Signature Date

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Public Arbitrator

Franz C. Thame 05/27/05
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 Public Arbitrator, Presiding Chairperson

 Signature Date

 Franz C. Thame
 Public Arbitrator

 Signature Date

 Alvin Spier
 Non-Public Arbitrator

 Signature/Date

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