
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Cathy Maulden
Samuel Cooper
John Durham
Delores Green

Case Number: 03-06017

Names of the Respondents

Salomon Smith Barney
Carol Hanlon

Hearing Site: Orlando, Florida

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

REPRESENTATION OF PARTIES

For Cathy Maulden ("Maulden"), Samuel Cooper ("Cooper"), John Durham ("Durham"), and Delores Green ("Green"), hereinafter collectively referred to as "Claimants": Richard J. Lantinberg, Esq., Cooper, Ridge & Lantinberg, Jacksonville, Florida.

For Respondent Salomon Smith Barney ("Smith Barney"): G. Wayne Hillis, Jr., Esq. and Cinnamon V. Davis, Esq., Parker, Hudson, Rainer & Dobbs, LLP, Atlanta, Georgia.

For Respondent Carol Hanlon ("Hanlon"): Debra A. Jenks, Esq., Dobin & Jenks, LLP, Jupiter, Florida.

CASE INFORMATION

Statement of Claim filed on or about: August 18, 2003.

Claimant Maulden signed the Uniform Submission Agreement: August 12, 2003.

Claimant Cooper signed the Uniform Submission Agreement: August 7, 2003.

Claimant Durham signed the Uniform Submission Agreement: August 6, 2003.

Claimant Green signed the Uniform Submission Agreement: August 6, 2003.

Statement of Answer filed by Respondents Smith Barney and Hanlon on or about: May 10, 2004.

Respondent Smith Barney signed the Uniform Submission Agreement: May 4, 2004.

Respondent Hanlon signed the Uniform Submission Agreement: June 9, 2004.

Reply to Affirmative Defenses filed by Claimants on or about: May 11, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: 1) breach of fiduciary duty; 2) failure to supervise; 3) churning; 4) violation of Chapter 517, Florida Statutes; 5) unsuitability; 6) breach of duty of loyalty, honesty and good faith; 7) breach of contract; and, 8) violation of federal

securities laws. The causes of action relate to Claimants' investments in unspecified variable annuities.

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

RELIEF REQUESTED

Claimants requested: 1) compensatory/rescissionary damages in excess of \$400,00.00; 2) disgorgement of all commissions and fees charged; 3) attorneys' fees; 4) costs; 5) unspecified punitive damages; and, 6) any other relief that the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested: 1) that the Panel deny Claimants' claims in their entirety; 2) costs; 3) attorneys' fees; and, 4) all other relief to which Respondents may be entitled.

OTHER ISSUES CONSIDERED AND DECIDED

On or about June 21, 2005 Respondent Hanlon notified NASD Dispute Resolution that the parties had settled this matter and agreed to the entry of a Stipulated Award, and the parties requested that the file remain open for the submission of a proposed Stipulated Award.

On or about June 27, 2005, Respondent Hanlon filed a proposed Stipulated Award.

On or about July 13, 2005, the Panel ordered that the parties submit all information of any kind that was part of, or ancillary to, or in any way related to or justified the Stipulated Award.

On or about August 4, 2005, Respondent Hanlon filed her written documentation in support of her request for entry of a Stipulated Award.

On or about August 12, 2005, the Panel granted Respondent Hanlon's request for expungement and for entry of a Stipulated Award.

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

AWARD

After considering the pleadings and pursuant to the parties' agreement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims against Respondents Smith Barney and Hanlon are hereby dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Hanlon's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Hanlon must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

3. Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied with prejudice.

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 = \$ 300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent Smith Barney is a party and was a member firm.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
Total Member Fees	= \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

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:

There were no three-day cancellation fees assessed during these proceedings.

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.

There were no injunctive relief fees assessed 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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel @ \$1,125.00/session	= \$2,250.00
Pre-hearing conferences: July 6, 2004	1 session
October 18, 2004	1 session

Total Forum Fees = \$2,250.00

The Panel has assessed total forum fees of \$2,250.00 to Respondent Smith Barney.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$ 300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Smith Barney is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	= \$2,250.00
Total Fees	= \$7,450.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$2,250.00

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

ARBITRATION PANEL

<i>Benita Sirkin</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Kenneth Bennett</i>	-	<i>Public Arbitrator</i>
<i>Lawrence Zenville Rosenberg, CFP</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

_____/s/_____
Benita Sirkin
Public Arbitrator, Presiding Chairperson

August 18, 2005
Signature Date

_____/s/_____
Kenneth Bennett
Public Arbitrator

August 19, 2005
Signature Date

/s/
Lawrence Zenville Rosenberg, CFP
Non-Public Arbitrator

August 23, 2005
Signature Date

August 23, 2005
Date of Service (For NASD Dispute Resolution office use only)

Total Forum Fees	= \$2,250.00
-------------------------	---------------------

The Panel has assessed total forum fees of \$2,250.00 to Respondent Smith Barney.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Smith Barney is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$2,250.00
Total Fees	= \$7,450.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$2,250.00

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

ARBITRATION PANEL

Benita Sirkin - *Public Arbitrator, Presiding Chairperson*
Kenneth Bennett - *Public Arbitrator*
Lawrence Zenville Rosenberg, CFP - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Benita Sirkin
Benita Sirkin
Public Arbitrator, Presiding Chairperson

8/18/05
Signature Date

Kenneth Bennett
Public Arbitrator

Signature Date

Total Forum Fees = \$2,250.00

The Panel has assessed total forum fees of \$2,250.00 to Respondent Smith Barney.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
<u>Total Fees</u>	= \$ 300.00
<u>Less payments</u>	= \$ 300.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondent Smith Barney is solely liable for:

<u>Member Fees</u>	= \$5,200.00
<u>Forum Fees</u>	= \$2,250.00
<u>Total Fees</u>	= \$7,450.00
<u>Less payments</u>	= \$5,200.00
<u>Balance Due NASD Dispute Resolution</u>	= \$2,250.00

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

ARBITRATION PANEL

<i>Benita Sirkin</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Kenneth Bennett</i>	-	<i>Public Arbitrator</i>
<i>Lawrence Zenville Rosenberg, CFP</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Benita Sirkin
Public Arbitrator, Presiding Chairperson

Kenneth J. Bennett
Kenneth Bennett
Public Arbitrator

Signature Date

Aug 19, 2005
Signature Date

NASD Dispute Resolution

Arbitration No. 03-06017

Stipulated Award Page 5

Lawrence Zeville Rosenberg

Lawrence Zeville Rosenberg, CFP
Non-Public Arbitrator

8/23/2005

Signature Date

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