
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Gloria F. Watson

Case Number: 04-01520

Name of the Respondent
Salomon Smith Barney, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Gloria F. Watson, hereinafter referred to as "Claimant": D. Daxton White, Esq., Dickenson, Murphy, Rex and Sloan, Boca Raton, Florida.

For Salomon Smith Barney, Inc. ("SSB"), hereinafter referred to as "Respondent": Cory S. Zadanosky, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: March 4, 2004.

Claimant signed the Uniform Submission Agreement: February 27, 2004.

Statement of Answer filed by Respondent on or about: June 25, 2004.

Respondent signed the Uniform Submission Agreement: April 16, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: 1) common law fraud; 2) breach of fiduciary duty; 3) negligent failure to supervise; and, 4) negligence. The causes of action relate to the purchase of various, unspecified stocks and margin trading in Claimant's account.

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 the amount of \$384,620.86, interest, costs, expenses and disbursements, including expert witness fees and for such other relief as this Panel deemed just and proper.

Respondent requested that the Statement of Claim be dismissed in its entirety and an award of costs, expenses, attorneys' fees and such further relief as this Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 26, 2005, the parties notified NASD Dispute Resolution that they had settled this matter and that they would be submitting a proposed Stipulated Award.

On or about October 17, 2005, the parties submitted to NASD Dispute Resolution a Stipulation to Dismiss and Expunge the NASD Central Registration Depository (the "CRD") record of non-party broker Ellen Q. Bush and a proposed Stipulated Award.

The parties stipulated and agreed that this matter be dismissed, with prejudice, and that Claimant and Respondent, as to each other, shall bear their respective costs and attorneys' fees. The parties further stipulated and agreed that said dismissal shall be a bar to the bringing of any action based on or including the claims, third party claims, or counterclaims for which these actions have been or could have been brought against Respondent by the Claimant or against the Claimant by the Respondent. In addition, the parties stipulated and agreed that this matter be expunged from the NASD CRD record of non-party Ellen Q. Bush.

The parties stated that this matter involved disputed claims and was dismissed, with prejudice, by the Claimant prior to the submission of any evidence by any party, and prior to the final arbitration hearing. Accordingly, no evidence was ever submitted to this Panel by any party of any wrongdoing by Respondent.

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

AWARD

After considering the pleadings and the Stipulation to Dismiss and Expunge and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's withdrawal of her claims against Respondent, with prejudice, is accepted and Respondent is dismissed from this matter.

The Panel recommends the expungement of all reference to the above captioned arbitration from non-party Ellen Q. Bush's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, non-party Ellen Q. Bush must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Any and all claims for relief not specifically addressed herein, including Respondent's request for attorneys' fees, 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 = \$ 300.00

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	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

Adjournment Fees

No requests for adjournments were filed in this matter for which fees were assessed.

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 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 the Panel @ \$1,125.00	= \$1,125.00
<u>Pre-hearing conference: November 30, 2004 1 session</u>	
Total Forum Fees	= \$1,125.00

The Panel has assessed \$562.50 of the forum fees to Claimant.

The Panel has assessed \$562.50 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	= \$ 300.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less payments</u>	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

Member Fees	= \$ 5,200.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 5,762.50
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

<i>Monica I. Salis, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Steven Goerke, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Donald R. McGahan</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Monica I. Salis, Esq.
Public Arbitrator, Presiding Chairperson

10/15/05
Signature Date

/s/
Steven Goerke, Esq.
Public Arbitrator

10/20/05
Signature Date

/s/
Donald R. McGahan
Non-Public Arbitrator

10/17/05
Signature Date

10/20/05
Date of Service (For NASD Dispute Resolution office use only)

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 Arbitration No.04-01520
Stipulated Award Page 4

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Signature Date


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 Public Arbitrator

10/20/05
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 Non-Public Arbitrator

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FROM : NASD

Oct. 17 2005 03:47PM PS/5

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