

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Richard Stein

Case Number: 04-06856

Names of the Respondents
Linsco/Private Ledger Corporation
American Skandia Marketing, Inc.
John Reutemann

Hearing Site: Washington, DC

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

REPRESENTATION OF PARTIES

Claimant, Richard Stein ("Claimant"), was represented by Morgan W. Bentley, Esq., Attorney at Law, Newark, New Jersey.

Respondents, Linsco/Private Ledger Corporation ("LPL"), and John Reutemann ("Reutemann"), were represented by Peter W. Gillies, Esq., Linsco/Private Ledger Corp., Boston, Massachusetts.

Respondent American Skandia Marketing, Inc. ("Skandia"), was represented by Fred N. Knopf, Esq., Wilson, Elser, Moskowitz, Edelman & Dicker, LLP, White Plains, New York.

CASE INFORMATION

Statement of Claim filed on or about September 22, 2004.

Claimant signed the Uniform Submission Agreement on September 22, 2004.

Statement of Answer filed by Respondents LPL and Reutemann on November 23, 2004.

Respondent Reutemann signed the Uniform Submission Agreement on March 27, 2005.

A representative of Respondent LPL signed the Uniform Submission Agreement on March 25, 2005.

Motion to Dismiss or, in the Alternative, Statement of Answer filed by American Skandia on November 23, 2004.

Respondent Skandia did not file a Uniform Submission Agreement with NASD Dispute Resolution.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability; misrepresentation and omissions; negligence; breach of fiduciary duty; breach of contract; violation of Section 10(b) and Rule 10b-5 of the Securities and Exchange Act of 1934; *respondeat superior*; violation of Maryland state securities laws; and failure to supervise. The causes of action relate to the purchase of two Skandia variable annuities.

Unless specifically admitted in their Answer, Respondents LPL and Reutemann denied the allegations made in the Statement of Claim and asserted the following defenses: the Claim fails to state a claim upon which relief may be granted; failure to mitigate; ratification; and Claimant suffered no damages but achieved substantial profits.

Unless specifically admitted in its Answer, Respondent Skandia denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim on which relief could be granted; failure to mitigate; Claimant suffered no damage; assumption of the risk; and the absence of any rule, regulation, statute or duty requiring the issuer of a security to conduct a suitability analysis.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	\$50,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents LPL and Reutemann in their Statement of Answer requested that the Statement of Claim be dismissed in its entirety and that they be awarded all costs including forum fees and attorneys' fees.

Respondent Skandia in its Statement of Answer requested that the Statement of Claim be dismissed in its entirety and that it be awarded all costs including forum fees and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Skandia did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Arbitrator on all issues submitted.

Prior to the hearing Claimant dismissed with prejudice all claims asserted against the Respondents and the parties agreed to enter into this Stipulated Award.

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

AWARD

After considering the stipulation of the parties, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. The listed parties have amicably resolved their differences and have requested this Stipulated Award;
2. All claims against Respondents are dismissed with prejudice in their entirety;
3. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Reutemann's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Reutemann must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents;

Pursuant to Rule 2130 the Arbitrator has made the following affirmative finding of fact: the claim, allegation, or information is factually impossible or clearly erroneous because gains of \$33,683.92 rather than losses of \$50,000.00 occurred;

4. All claims against Respondents are dismissed with prejudice in their entirety;
5. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
6. Any and all relief not specifically addressed herein is denied in its entirety.

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 = \$ 175.00

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 person(s) at the time of the events giving rise to the dispute. Accordingly, LPL and Skandia are parties.

LPL Member Fees:

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,000.00
Total Member Fees	= \$2,625.00

Skandia Member Fees:

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,000.00
Total Member Fees	= \$2,625.00

Forum Fees and Assessments

The Arbitrator 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 a single arbitrator @ \$450.00	= \$900.00
Pre-hearing conferences: April 12, 2005 1 session	
September 7, 2005 1 session	
Total Forum Fees	= \$900.00

1. The Arbitrator has assessed \$225.00 of the forum fees to Claimant.
2. The Arbitrator has assessed \$225.00 of the forum fees to Respondent LPL.
3. The Arbitrator has assessed \$225.00 of the forum fees to Respondent Skandia.
4. The Arbitrator has assessed \$225.00 of the forum fees to Respondent Reutemann.

EEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 225.00
Total Fees	= \$ 400.00
Less payments	= \$ 625.00
Refund Due Claimant	= \$ 225.00

- 2..Respondent LPL is assessed and shall pay the following fees:

Member Fees	= \$2,625.00
Forum Fees	= \$ 225.00
Total Fees	= \$2,850.00
Less payments	= \$2,625.00
Balance Due NASD Dispute Resolution	= \$ 225.00

3. Respondent Skandia is assessed and shall pay the following fees:

Member Fees	= \$2,625.00
Forum Fees	= \$ 225.00
Total Fees	= \$2,850.00
Less payments	= \$2,625.00
Balance Due NASD Dispute Resolution	= \$ 225.00

4. Respondent Reutemann is assessed and shall pay the following fees:

Forum Fees	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 225.00

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

SOLE ARBITRATOR

Turna R. Lewis, Esq.

- Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

Turna R Lewis

Turna R. Lewis Esq.

Sole Public Arbitrator, Presiding Chairperson

11/21/05
Signature Date

11/24/05
Date of Service (For NASD Dispute Resolution office use only)