

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant

Edith V. Burns

vs.

Case Number: 05-04270
Hearing Site: Southfield, Michigan

Name of Respondent

Primerica Shareholder Services, Inc.

NATURE OF THE DISPUTE

Customer vs. Non-Member

REPRESENTATION OF PARTIES

Edith V. Burns ("Claimant") was represented by Dayna Milbrand, Esq., Dayna Milbrand, PC, Mt. Clemens, Michigan.

Primerica Shareholder Services, Inc. ("Respondent") was represented by Dennis K. Egan, Esq., Butzel Long, Bloomfield Hills, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about August 16, 2005. The Submission Agreement of Claimant was signed on or about August 17, 2005. Claimant's Second Amended Statement of Claim was filed on or about November 20, 2006.

The Statement of Answer was filed by Respondent on or about February 2, 2006. Respondent's Answer to Second Amended Statement of Claim was filed on or about December 1, 2006.

Respondent filed a Motion for Partial Dismissal on or about July 7, 2006. Claimant filed a Response to the Motion on or about July 20, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, misappropriation of funds, conversion, and breach of fiduciary duty. The causes of action related to Claimant's allegations that Respondent withdrew funds from her IRA accounts without her permission and failed to return the funds to her.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted legal and affirmative defenses including the following: Claimant's claims are barred by the statute of limitations, Respondent did not misappropriate any of Claimant's funds, and Respondent did not breach any agreement with Claimant.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 55,005.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent requested that the claims asserted against it be dismissed in their entirety.

OTHER ISSUES CONSIDERED & DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Primerica Shareholder Services Retirement Plan Account Application Client Acknowledgment/Agreement executed on August 2, 2001, and having answered the claim, and appeared and testified at the hearing through a representative, is bound by the determination of the Panel on all issues submitted.

In its Order entered on or about August 10, 2006, the Panel denied Respondent's Motion for Partial Dismissal without prejudice.

The Panel granted Claimant's Oral Motion to Amend Statement of Claim at the hearing on October 10, 2006, and in its Order entered on or about October 17, 2006.

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

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, Primerica Shareholder Services, Inc., is liable for and shall

pay to Claimant, Edith V. Burns, the sum of \$50,000.00 in compensatory damages;

- 2.) Respondent, Primerica Shareholder Services, Inc., is liable for and shall pay to Claimant, Edith V. Burns, the sum of \$7,500.00 in attorneys' fees pursuant to common law;
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) Any relief not specifically enumerated is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial Claim filing fee (fee waived) = \$ 225.00

Adjournment Fees

Adjournments granted during these proceedings:

September 26-27, 2006, adjournment requested by Claimant	= \$ 750.00
October 11, 2006, adjournment requested jointly by the parties (assessed equally to the parties, Claimant's half waived by Panel)	= \$ 750.00

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:

The parties requested adjournment of the hearing on October 11, 2006, at the hearing on October 10, 2006	= \$ 300.00
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Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted or each decision rendered on a discovery-related motion on the papers. 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:

One (1) Pre-hearing session with a single arbitrator x \$450.00 = \$ 450.00
Pre-hearing conference: September 22, 2006 1 session

Two (2) Pre-hearing sessions with Panel x \$750.00 = \$ 1,500.00
Pre-hearing conferences: April 12, 2006 1 session
August 10, 2006 1 session

Three (3) Hearing sessions x \$750.00 = \$ 2,250.00
Hearing Dates: October 10, 2006 1 session
December 4, 2006 2 sessions

Total Forum Fees = \$ 4,200.00

The Panel has assessed \$1,050.00 of the forum fees to Edith V. Burns.

The Panel has assessed \$3,150.00 of the forum fees to Primerica Shareholder Services, Inc.

FEE SUMMARY

Claimant, Edith V. Burns, is liable for:

Adjournment Fee	= \$ 750.00
Forum Fees	= \$ 1,050.00
Total Fees	= \$ 1,800.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,800.00

Respondent, Primerica Shareholder Services, Inc., is liable for:

Adjournment Fee	= \$ 375.00
Three-Day Cancellation Fee	= \$ 300.00
Forum Fees	= \$ 3,150.00
Total Fees	= \$ 3,825.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 3,825.00

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

ARBITRATION PANEL

Patrick R. Sughroue - Public Arbitrator, Presiding Chair
Ina N. Otto, Esq. - Public Arbitrator
William C. Kubicz - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ Patrick R. Sughroue
Patrick R. Sughroue
Public Arbitrator, Presiding Chair

12/11/06
Signature Date

/s/ Ina N. Otto, Esq.
Ina N. Otto, Esq.
Public Arbitrator

12/11/06
Signature Date

/s/ William C. Kubicz
William C. Kubicz
Non-Public Arbitrator


12/08/06
Signature Date

12/11/06
Date of Service (For NASD office use only)

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William C. Kubicz - Non-Public Arbitrator

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Public Arbitrator, Presiding Chair

12-11-06

Signature Date

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Public Arbitrator

Signature Date

William C. Kubicz
Non-Public Arbitrator

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Public Arbitrator

Signature Date

William C. Kubicz

William C. Kubicz
Non-Public Arbitrator

12/8/06

Signature Date

Date of Service (For NASD office use only)