

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Patricia J. Praegitzer

NASD Arbitration
No. 95-03700

Name of Respondent

Smith Barney, Inc.

REPRESENTATION

For Claimant: Robert A. Uhl, Esq.
Aidikoff & Uhl
Los Angeles, California

For Respondent: Ellen Slipp, Esq.
Smith Barney Shearson, Inc.
New York, New York

CASE INFORMATION

Statement of Claim filed:	July 31, 1995
Claimant's Submission Agreement signed:	July 25, 1996
Statement of Answer filed by Respondent:	September 27, 1995
Respondent's Submission Agreement signed:	September 22, 1995

HEARING INFORMATION

Pre-Hearing Conference Date / Session: March 8, 1996 (1 session)

Hearing Dates / Sessions: June 11, 1996 (2 sessions)
June 12, 1996 (2 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent improperly used its discretion and engaged in unsuitable securities transactions. Claimant further alleged that Respondent breached its fiduciary duty, committed fraud, and failed to properly supervise its employees. Additionally, Claimant alleged that Respondent violated Sections 10 and 20 of the Securities Exchange Act of 1934, Rule 10(b)(5) of the Securities Exchange Commission, Section 12(2) and 15 of the Securities Act of 1933, NASD Rules of Fair Practice, and NYSE Rule 405.

Respondent denied each allegation in Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages of \$123,482.00, interest from June 30, 1995 up to the date of any arbitration award, costs of proceedings, punitive damages not less than \$200,000.00 and attorneys' fees.

Respondent requested dismissal of all claims, an award of costs of arbitration and reasonable attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remains on file with the NASD.

AWARD

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

1. Claimant shall be awarded \$35,082.00 in compensatory damages and \$2,105.00 in interest for a total of \$37,187.00 against Respondent Smith Barney, Inc.
2. Each side shall bear its/her own costs and attorneys' fees.
3. Forum Fees are to be assessed against Respondent Smith Barney, Inc.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed against Respondent Smith Barney, Inc.:

One (1) Pre-Hearing Session @ \$300.00 / Session	=	\$300.00
Four (4) Hearing Sessions @ \$750.00 / Session	=	\$3,000.00
Total Forum Fees Assessed	=	\$3,300.00
 Respondent Smith Barney, Inc.'s Balance Due	 =	 \$3,300.00

Claimant's Hearing Session Deposit of \$750.00 shall be refunded to the Claimant by the NASD.

Fees are payable to the National Association of Securities Dealers, Inc.

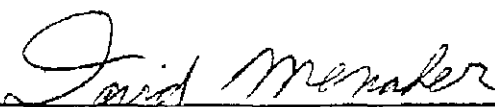
ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Merton A. Bobo, Esq.	Public Arbitrator
Thomas J. Doherty	Industry Arbitrator
David Menaker	Public Arbitrator

Concurring Arbitrators' Signatures

Merton A. Bobo, Esq.

Thomas J. Doherty



David Menaker

Date of Decision: 5/17/96


Date of Service: _____

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Merton A. Bobo, Esq.	Public Arbitrator
Thomas J. Doherty	Industry Arbitrator
David Menaker	Public Arbitrator

Concurring Arbitrators' Signatures

Merton A. Bobo, Esq.



Thomas J. Doherty

David Menaker


Date of Decision: _____

Date of Service: _____

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<u>Name</u>	<u>Public / Industry</u>
Merton A. Bobo, Esq.	Public Arbitrator
Thomas J. Doherty	Industry Arbitrator
David Menaker	Public Arbitrator

Concurring Arbitrators' Signatures



Merton A. Bobo, Esq.

Thomas J. Doherty

David Menaker

Date of Decision: 8/8/96

Date of Service: _____