

AWARD

NASD REGULATION, INC.

In the matter of the Arbitration Between

Name of Claimant

Robin Kilroy

v.

Arbitration No.

98-00264

Name of Respondent

Fred Burrows and Smith Barney Shearson

REPRESENTATION

For Claimants:

H. Thomas Fehn, Esq.
Elizabeth Lowery, Esq.
Fields, Fehn & Sherwin
Los Angeles, California

For Respondents

Fred Burrows and
Smith Barney Shearson:

David Bartholomew, Esq.
Kessal, Young and Logan
Long Beach, California

Jeffrey L. Friedman, Esq.
Smith Barney, Inc.
New York, New York

CASE INFORMATION

Statement of Claim filed:

January 12, 1998

Claimant's Submission Agreement signed:

December 16, 1997

Joint Statement of Answer filed by
Respondents Fred Burrows and
Smith Barney Shearson:

April 9, 1998

Respondent Fred Burrows'
Submission Agreement signed:

May 11, 1998

Respondent Smith Barney Shearson's
Submission Agreement signed:

May 6, 1998

HEARING INFORMATION

Pre Hearing Conference Date / Session:

December 2, 1998 (1 Session)

Hearing Dates / Sessions:

January 25, 1999 (2 Sessions)

January 27, 1999 (2 Sessions)

Hearing Location:

Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondents committed negligence, engaged in misrepresentation, and failed to supervise. Claimant also alleged unsuitability and breach of fiduciary duty.

Respondents denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$550,000.00 in compensatory damages. Claimant also requested a reasonable rate of return on her investment, punitive damages, attorney fees and costs.

Respondents requested that the Arbitration Panel dismiss the Claimant's claim in its entirety, and that the costs of arbitration be assessed to Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed either in 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 Regulation, Inc., Office of Dispute Resolution.

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) Respondents Fred Burrows and Smith Barney Shearson are jointly and severally liable to and shall pay Claimant \$353,000.00.
- 2) Respondents Fred Burrows and Smith Barney Shearson are jointly and severally liable to Claimant for 10% interest from the date of the award until the balance is paid in full.
- 3) Claimant's request for punitive damages is denied.
- 4) Claimant's request for attorney fees is denied.
- 5) All relief requested and not granted is expressly denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

One Full Panel Pre-Hearing Conference Session @ \$1,000.00/ Session	= \$1,000.00
Four Hearing Sessions @ \$1,000.00 / Session	= \$4,000.00
Total Fees Assessed	= \$5,000.00

Claimant's One-Half Share	= \$2,500.00
Claimant's Credit for Hearing Session Deposit	=(\$1,000.00)
Claimant's Balance Due	= \$1,500.00

Respondents Fred Burrows and Smith Barney Shearson's, joint and several, One-Half Share	= \$2,500.00
Repondents', joint and several, Balance Due	= \$2,500.00

Fees are payable to NASD Regulation, Inc.

OTHER FEES

Pursuant to Rule 10333 of the Code, Respondent Smith Barney Shearson has paid to NASD Regulation, Inc. the \$2,000 .00 member surcharge previously invoiced.

Pursuant to Rule 10333 of the Code, Respondent Smith Barney Shearson has paid to NASD Regulation, Inc. the \$4,100.00 past due member process fee previously invoiced.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Mary L. Williams, Esq.	Public Arbitrator
Milton C. Bennett	Industry Arbitrator
Lionel S. Heller	Public Arbitrator

Concurring Arbitrators' Signatures


Mary L. Williams, Esq.


Milton C. Bennett

Lionel S. Heller

Date of Service: 2/26/99

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Mary L. Williams, Esq.	Public Arbitrator
Milton C. Bennett	Industry Arbitrator
Lionel S. Heller	Public Arbitrator

Concurring Arbitrators' Signatures

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Milton C. Bennett



Lionel S. Heller

Date of Service: 2/26/99