

STIPULATED AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Lee R. Piper, Claimant v. Salomon Smith Barney, Respondent

Case Number: 99-02686

REPRESENTATION OF PARTIES

For Claimant: Claimant represented himself.

For Respondent: Respondent Salomon Smith Barney, Inc. was represented by Shannon Hobbs, Vice President, Human Resources Generalist, and Nancy Aly, Service Center Manager, First Vice President.

Neither party was represented at hearing by counsel.

CASE INFORMATION

Statement of Claim filed: September 21, 1999.

Claimant's Uniform Submission Agreement signed: August 27, 1999.

Statement of Answer filed by Respondent Salomon Smith Barney on February 17, 2000.

Respondent's Uniform Submission Agreement signed: February 17, 2000

CASE SUMMARY

Claimant, Lee R. Piper, alleges unfair and discriminatory employment termination and defamation on U-5.

Respondent, Salomon Smith Barney, denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant, Lee R. Piper, requested all back pay, benefits, potential lost revenue, bonus (\$2,000.00), stock option (\$3,000.00), adjustment of the U-5 to read as a voluntary separation and all other appropriate consequential and punitive damages.

Respondent, Salomon Smith Barney, requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

- 1) The parties agreed to appoint the mediator, Robert F. Oberstein, as Arbitrator in this matter for the sole purpose of transforming their mutual agreement into a stipulated award.
- 2) The parties agreed that the Award in this matter may be executed in counterpart copies.

AWARD

As a result of a mediation session held on October 26, 2000 the parties have agreed to the following stipulated award as the full and final resolution in this matter:

- 1) Within, but no later than 30 (thirty) calendar days from the date of this award, Respondent, Salomon Smith Barney, shall issue to Claimant, Lee R. Piper, the sum of \$10,000.00 (ten thousand dollars and zero cents) minus all applicable Federal, State and local taxes.
- 2) The arbitrator recommends the expungement of all reference to the U-5 in question and the above captioned arbitration from Claimant, Lee R. Piper's registration records maintained by NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Claimant, Lee R. Piper, must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
- 3) Respondent, Solomon Smith Barney, will pay up to \$1,000.00 (one thousand dollars and zero cents) depending on necessity, in combined filing and legal fees toward the "confirmation in a court of competent jurisdiction" noticed in item number 2 above. The above amount of \$1,000.00 (one thousand dollars and zero cents) is the maximum amount Claimant, Lee R. Piper, can receive under this stipulated Agreement for both filing and legal fees combined together.

If Claimant, Lee R. Piper utilizes the services of a licensed attorney said amounts for filing or legal fees up to the maximum of \$1,000.00 (one thousand dollars and zero cents) are to be billed directly to the Respondent, Solomon Smith Barney by said attorney. If Claimant, Lee R. Piper, elects not to use a licensed attorney Respondent, Solomon Smith Barney, will advance Claimant, Lee R. Piper, for the cost of filing fees only after claimant has provided documentation of the amount of said fees. Any billing procedures or particulars concerning this item will be worked out between Respondent's representative, Shannon Hobbs and claimant, Lee R. Piper.

- 4) Respondent, Salomon Smith Barney, will not object to the expungement of the current U-5, and if given the opportunity will stand in agreement with Claimant, Lee R. Piper, and the Arbitrator in recommending expungement.
- 5) Upon notification of the successful conclusion of the expungement of the record and specifically the current U-5, Respondent, Salomon Smith Barney Inc, will execute a new U-5 indicating that the sole reason for separation of Claimant, Lee R. Piper from his position with Respondent, Salomon Smith Barney, Inc. was "mutual." The exact wording on the new U-5 will read "Other- Mutual agreement."
- 6) There will be no mention or indication in the new U-5 that it was the result of any type of settlement or arbitration proceeding.
- 7) Claimant, Lee R. Piper, will sign Respondent, Salomon Smith Barney, Inc.'s, release form, which is attached hereto and made a part of this stipulated award.
- 8) Respondent, Salomon Smith Barney, will pay all applicable filing and forum fees, including, but not limited to a \$375.00 (three hundred and seventy-five dollars and

zero cents) NASD filing fee and a \$1,200.00 (one thousand two hundred dollar and zero cents) NASD forum fee for a pre-arbitration conference call held on August 3, 2000.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$375.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$3,500.00

Forum Fees and Assessments

The Arbitrator assesses forum fees for each hearing session conducted. A hearing 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 x \$1,200.00	= \$1,200.00
Pre-hearing conference: August 3, 2000	1 session

Total Forum Fees	= \$1,200.00
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The Arbitrator has assessed the \$1,200.00 in forum fees to Respondent, Salomon Smith Barney in accordance with the parties' agreement.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

The parties did not incur administrative costs.

Fee Summary

1. Respondent, Salomon Smith Barney, be and hereby is liable for:

Initial Claim Filing Fee	= \$ 375.00
Member Fees	= \$6,100.00
Forum Fees	= \$1,200.00
<u>Administrative Costs</u>	= \$ 0.00
Total Fees	= \$7,675.00
<u>Less payments</u>	= \$6,100.00
Balance Due NASD Regulation, Inc.	= \$1,575.00

All balances are due to NASD Dispute Resolution, Inc. and are payable within 30 days of the service date of this Award.

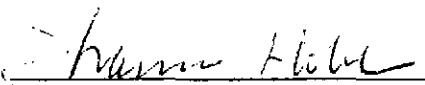
The respective parties, for Claimant and Respondent, to the mediation hearing which resulted in this full and final arbitration award do so stipulate to all of the above by affixing their signatures hereto:



Claimant, Lee R. Piper

11-17-00

Date



Respondent, Shannon Hobbs

11-20-00

Date



Arbitrator, Robert F. Oberstein

11/21/00

Date

Date Served:

DEC 20 2000

SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Settlement Agreement and Release ("Agreement") is entered into this ____ day of November 2000, by and between Salomon Smith Barney Inc. ("Smith Barney"), and Lee Piper ("Piper").

WHEREAS, Piper filed a Statement of Claim with the National Association of Securities Dealers, Inc., Number 99-02686, alleging that his termination of employment was wrongful and that the Form U-5 filed by Smith Barney reflecting the reason for his termination was incorrect (the "Claim").

WHEREAS, Smith Barney denies all of the allegations raised in Piper's Claim.

WHEREAS, Piper and Smith Barney have agreed to settle the matters in controversy upon terms hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the mutual covenants and agreements to be performed hereinafter set forth, the parties hereto agree as follows:

1. a. Smith Barney will pay Lee Piper no later than 20 business days after Smith Barney receives the fully executed Agreement the total sum of \$10,000.00, less customary payroll deductions, for which a Form W-2 for 2000 will be issued.

1. b. As a result of a Mediation held on October 26, 2000, the NASD will issue an Order expunging Piper's Form U-5 dated April 5, 1999 and direct that a new Form U-5 be filed by Smith Barney reflecting as the reason for termination "Other" Mutual Agreement.

1. c. Piper agrees that the NASD's Order cannot be given effect until such time as Piper takes whatever steps necessary to have the NASD's Order confirmed by a court of competent jurisdiction.

2. Piper represents that other than the Claim filed with the NYSE he has not filed, directly or indirectly, nor caused to be filed and will not file or cause to be filed any legal proceeding in any state or federal court or in arbitration or any administrative proceeding with any local, state or federal agency having jurisdiction over claims of employment discrimination or underpayment of wages or failure to pay overtime, raising any claims surrounding his employment with and separation from Smith Barney, including, but not limited to, the allegations raised in his Claim.

3. Piper agrees not to participate in any action or proceeding of any kind brought against Smith Barney unless subpoenaed to do so except as described in paragraph 4 below.

4. Piper and Smith Barney agree to keep the nature of his Claim, the terms of this Agreement and the negotiations leading thereto, confidential and not to disclose same, except to enforce the terms of this Agreement. Further, neither Piper nor Smith Barney, respectively, nor anyone acting on their behalf shall originate, have originated or make any written or oral statement, news release, or other announcement or publication, relating to this Agreement, the resolutions of the Claim or any related matter concerning Smith Barney to the press. If asked by the press any questions about the Claim or the settlement of the Claim, Piper and Smith may state only that this dispute was resolved to the mutual satisfaction of all parties. They may not comment further. Smith Barney will respond to any and all written reference requests by stating only Piper's dates of employment and title. Piper may not make any statement to the press, direct or implied, that suggests that Piper received or will receive any money in settlement of the Claim or make any other statement whatsoever to third parties with regard to the Claim or with regard to the settlement of the Claim or the substance of the discussions leading thereto. Notwithstanding the foregoing, the parties shall not be prohibited from responding to any court order or subpoena, or to a request for information from any governmental or regulatory entity.

5. a. In consideration of Smith Barney entering into this Settlement Agreement and Release, Piper hereby releases and forever discharges Smith Barney and Smith Barney's past, current and future parents, subsidiaries and affiliated companies and officers, directors, and employees from any and all claims and demands whatsoever, known or unknown, in law or equity, by contract, tort or pursuant to statute, regulation or ordinance, which Piper now has or has ever had or may have from the beginning of time until the date Piper executes the Agreement, including, but without limitation, any claims raised in his Claim, and expressly including any and all claims regarding, arising out of or relating to in any way the employment relationship and the termination of that relationship, based upon any contract, any breach of duty, including claims for back and front pay, commissions, bonus, stock, stock options, money contributed to the Capital Accumulation Plan or awards or grants thereunder, fraud, misrepresentation, defamation, as well as claims for any breach of any federal, state or local fair employment practices, equal opportunity, or wage and hour law, including, but not limited to, Title VII of the Civil Rights Act of 1964, 42 USC §2000e et seq., the Age Discrimination in Employment Act, 29 USC §621, the Rehabilitation Act of 1973, the Civil Rights Act of 1866, 42 USC §1981, the Americans with Disabilities Act, 42 USC §12101e et seq., the Employee Retirement Income Security Act of 1974, the Civil Rights Act of 1991, the Equal Pay Act, The Family and Medical Leave Act of 1993 and any other Federal, state or local statute or regulation regarding employment, discrimination in employment, termination of employment, the common law of any state.

Piper also waives and releases and promises never to assert any such claims, even if Piper does not believe that he has such claims. Piper therefore waives his rights under Section 1542 of the Civil Code of California which states:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor.

5. b. In consideration of Piper entering into this Settlement Agreement, Smith Barney hereby releases and forever discharges Piper from any and all claims, promises, actions, causes of action, disputes, counterclaims, arbitrations, duties, debts, suits, contracts, damages, liabilities, accounts, reckonings and demands in law or equity of any nature whatsoever whether known or unknown, which the parties now have, ever had, or may hereafter have, for, upon, or by reason of any matter, cause, or thing, of any nature whatsoever, occurring at any time or times up to the date hereof, but excluding liabilities relating to claims brought by third parties against Smith Barney, Piper, including but not limited to any liabilities relating to claims brought by any current or former customer of Smith Barney, or claims brought by any securities regulator, including the Securities and Exchange Commission, NASD, NYSE, or any other self-regulatory organization.

6. Except for the covenants and promises provided for herein, Piper covenants that neither he, nor any of his family, heirs, representatives, successors and assigns, will commence, prosecute, or cause to be commenced or prosecuted against Smith Barney or any of its current or former officers, trustees, employees, directors, agents or representatives, or against any of its subsidiaries, affiliates, parents, related companies, families, heirs, successors or assigns, any action or their proceedings based upon any claims, demands, causes of action, obligations, damages, or liabilities which are being released by this Agreement, nor will Piper seek to challenge the validity of this Agreement; and Piper will hold Smith Barney and its current or former officers, trustees, employees, directors, agents, families, heirs, representatives, and any of their subsidiaries, affiliates, parents, successors, related companies, and assigns harmless from and against any and all claims for damages, judgments, court costs, attorneys' fees, or expenses asserted against Smith Barney or any of its current or former officers, trustees, employees, directors, agents, heirs, families, representatives, or against any of their subsidiaries, affiliates, parents, successors, related companies or assigns as a result of or in connection with any proceeding brought contrary to this paragraph.

7. Piper agrees and acknowledges that the consideration received by him for this Agreement and for the execution thereof shall constitute full payment, satisfaction, discharge, compromise and release of and from all matters released by this Agreement.

8. Each party shall pay its, his or her own attorneys fees, costs and expenses in this matter.

9. Piper acknowledges that this Agreement has been executed in connection with the compromise and settlement of disputed claims and that this Agreement and the actions taken pursuant thereto do not constitute an acknowledgment, admission, or concession on the part of Smith Barney of liability for any matter or precedent upon which a liability may be asserted. Without limiting the generality of the foregoing, Piper acknowledges that the execution of this Agreement should not be construed as an admission that Smith Barney or Piper has breached any contract, committed any tort, or violated any Federal, State or Local statute, law, rule, regulation or ordinance of any nature whatsoever, including but not limited to any Federal, State or Local law against employment discrimination, and that the execution of this Agreement does not violate any Federal, State or Local statute, law, rule, regulation or ordinance of any nature whatsoever.

10. Piper acknowledges that he has been advised to seek legal counsel in connection with the execution of this Agreement, that this paragraph should constitute written notice to him of his right to be advised by legal counsel in connection with this Agreement and that he understands his respective rights and obligations. Piper declares, under penalty of perjury, that he has completely read this Agreement, consisting of five (5) typed pages, and fully understands the terms and contents and freely, voluntarily and without coercion enters into this Agreement. Further, Piper agrees and acknowledges that the waiver or release by him of his rights under Title VII of the Civil Rights Act of 1964, as amended, the Employee Retirement Income Security Act, the Age Discrimination in Employment Act of 1967, the Americans with Disability Act and/or any other Local, State or Federal law and under paragraph 6 of this Agreement is knowing and voluntary and that it shall be a breach of this Agreement to institute any action or to recover any damages which would be in conflict with or contrary to this acknowledgment.

11. Any dispute relating to or arising out of this Agreement shall be submitted to the NASD, Inc. for binding arbitration in accordance with the Rules of that body then in effect.

12. Piper will take all necessary steps to dismiss with prejudice and to withdraw any claim now pending and to take all other steps to dismiss the NASD Arbitration that he filed against Smith Barney.

13. This Agreement contains the entire agreement between the parties relating to the rights herein granted and the obligations herein assumed, and it completely supersedes any prior written or oral agreements or representations concerning the subject matter hereof. Any oral representation or modification concerning this Agreement shall be of no force or effect. This Agreement can be modified only by a writing signed by the parties to this Agreement. This Agreement is the product jointly of the parties, and no party shall be deemed to be the author of this Agreement for purposes of having this Agreement, or any part of it, construed against a party.

14. Piper acknowledges that he has been given the opportunity to consider and review this Agreement for 21 days, has had the opportunity to consult with legal counsel and has the opportunity to revoke this Agreement within seven (7) days of its execution by him. Should Piper revoke this Agreement by delivering a written revocation so that it is received in hand by counsel for Smith Barney within seven (7) days of this Agreement's execution, all benefits provided herein will cease and all benefits paid to Piper under this Agreement prior to such revocation shall be fully recoverable by Smith Barney.

15. As used in this Agreement, "Smith Barney" shall refer also to Salomon Smith Barney Inc., Salomon Smith Barney, Smith Barney Shearson, Inc., Primerica Corporation, TravelersGroup, Inc., Shearson Lehman Brothers, Inc., Lehman Brothers, Inc., Salomon Smith Barney, Smith Barney's past, current and future: parents; subsidiaries; affiliated companies; related companies; officers; trustees; directors; agents; employees; and representatives, the past, current and future: officers; trustees; directors; agents; employees; and representatives of each of such other entities, and the successors and assigns of all such entities and persons.

16. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one in the same agreement. A signature by facsimile shall be deemed to have the same effect as an original signature. Once each party to the Agreement has executed a copy of the Agreement, the Agreement shall be considered fully executed and effective, notwithstanding that all parties have not executed the same copy hereof.


17. The provisions of this Agreement are severable. If any provision of the Agreement is declared invalid or unenforceable, the ruling will not affect the validity and enforceability of any other provision of the Agreement.

Dated this 17 day of November __, 2000


Leo R. Piper

Dated this 20 day of November __, 2000

SALOMON SMITH BARNEY INC.

By: 
~~Sharon Hobbs~~ Shannon Hobbs
Vice President
Human Resources
Salomon Smith Barney Inc.

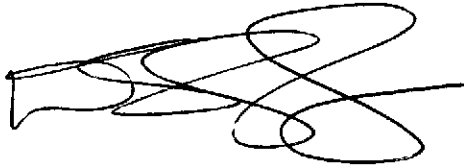
ACKNOWLEDGMENT

STATE OF ARIZONA)
COUNTY MARICOPA) ^{SS.:}

BEFORE ME, the undersigned notary public, personally appeared Lee R. Piper known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

SWORN TO AND SUBSCRIBED before me on this 17 day of November __, 2000.

Notary Public



VERIFICATION

STATE OF California)
COUNTY OF Los Angeles) ss.:

BEFORE ME, the undersigned notary, personally appeared Sharon Hobbs, who upon oath stated that she is a Vice President of Salomon Smith Barney Inc., that she is authorized by Salomon Smith Barney Inc. to execute the foregoing Settlement Agreement and Release and that she has executed the same on behalf of Smith Barney Inc. for the purposes and consideration therein expressed.

SWORN TO AND SUBSCRIBED before me on this 20th day of November, 1999, to certify which witness my hand and seal of offices.

Ceniza M. Reynoso
CENIZA M. REYNOSO

Notary Public

