

Stipulated Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

GEORGE B. SCHOENROCK, II, individually (as beneficiary and Successor Co-Trustee of the Mary V. Schoenrock Living Trust Agreement Dated November 7, 1994) And as Next Friend and Natural Guardian of BERNARD ANTHONY SCHOENROCK (beneficiary of the Mary V. Schoenrock Living Trust Agreement Dated November 7, 1994), Claimant v. Salomon Smith Barney, Inc., Murray Levine, Mitchell H. Hirsch, and Kenneth P. Arnold, Respondents

Case Number: 99-02928

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For GEORGE B. SCHOENROCK, II, individually (as beneficiary and Successor Co-Trustee of the Mary V. Schoenrock Living Trust Agreement Dated November 7, 1994) And as Next Friend and Natural Guardian of BERNARD ANTHONY SCHOENROCK (beneficiary of the Mary V. Schoenrock Living Trust Agreement Dated November 7, 1994), hereinafter referred to as "Claimant": Jack Stein, Esq., Stein, Rosenberg & Winikoff, Fort Lauderdale, Florida.

For Salomon Smith Barney, Inc. ("SSB"), Mitchell H. Hirsch ("Hirsch"), Murray Levine ("Levine"), and Kenneth P. Arnold ("Arnold"), hereinafter referred to as "Respondents": Neil B. Solomon, Esq., Greenberg Traurig P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 28, 1999.

Claimant's Uniform Submission Agreement signed: June 15, 1999.

Statement of Answer filed by Respondents SSB, Hirsch, and Arnold on or about: September 16, 1999.

Uniform Submission Agreement signed by SSB: September 17, 1999.

Uniform Submission Agreement signed by Hirsch: August 12, 1999.

Uniform Submission Agreement signed by Arnold: August 12, 1999.

Statement of Answer filed by Levine on or about: September 16, 1999.

Uniform Submission Agreement signed by Levine: August 16, 1999.

CASE SUMMARY

Claimant alleged the following causes of action: 1) violation of federal and state securities laws; 2) negligent supervision; 3) negligence; 4) breach of fiduciary duty; and 5) breach of contract. Claimant also alleged that Respondents' conduct violated the rules and regulations of the NASD and NYSE. The causes of action relate to Claimant's investments in American Skandia, Sun Life/MFS, and AIM Mutual Fund and Variable Annuity.

Unless specifically admitted in their Statement of Answer, all Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested in its Statement of Claim: 1) \$600,000 of compensatory damages; 2) punitive damages; 3) costs; 4) attorneys' fees; 5) interest; and 6) such other relief as is deemed just and proper by the Panel.

Respondents did not specifically delineate a relief request.

OTHER ISSUES CONSIDERED AND DECIDED

On September 15, 1999, Respondents submitted a Motion to Dismiss the Statement of Claim. On or about April 5, 2000, the Panel denied Respondents' Motion to Dismiss.

On or about August 27, 2001, Claimant informed NASD Dispute Resolution, Inc. that the parties had settled this matter. As part of the Settlement of this arbitration proceeding, the parties have entered into a stipulation for the dismissal of this action and the expungement of the registered representatives' records.

The parties 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 and the Stipulated Award, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

- 1) All claims against Respondents are dismissed with prejudice.
- 2) All parties shall bear their own attorneys' fees and costs.
- 3) The Panel recommends the expungement of all references to the above captioned arbitration

from Respondents Levine, Hirsch and Arnolds' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents' Levine, Hirsch and Arnold must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 375.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. The member firm Salomon Smith Barney, Inc. is a party to this dispute and was an NASD member at the time the following fees were assessed:

Member Surcharge	= \$ 2,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 3,500.00</u>
Total Member Fees	= \$ 6,100.00

Adjournment Fees

The following adjournment fees are assessed.

June 7, 2000, adjournment requested by Claimant	= \$ 1,200.00
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Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

Two (2) Pre-hearing conferences with the Panel @ \$1,200.00	= \$ 2,400.00
Pre-hearing conferences: January 7, 2000 1 session	
March 20, 2000 1 session	
<u>Total Forum Fees</u>	<u>= \$ 2,400.00</u>

The Panel has assessed forum fees of \$1,200.00 to Claimant.
The Panel has assessed forum fees of \$1,200.00 to Respondent SSB.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$ 1,200.00
Total Fees	= \$ 2,775.00
Less payments	= \$ 2,775.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent SSB is charged with the following fees and costs:

Forum Fees	= \$ 1,200.00
Member Fees	= \$ 6,100.00
Total Fees	= \$ 7,300.00
Less payments	= \$ 6,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,200.00

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

Parties' Signatures

Jack Stein, Esq.
Stein, Rosenberg & Winikoff
Attorney for Claimant

Signature Date

Neil B. Solomon, Esq.
Greenberg Traurig P.A.
Attorney for Respondents
Salomon Smith Barney, Inc.,
Mitchell H. Hirsch, Murray Levin,
and Kenneth P. Arnold

Signature Date

ARBITRATION PANEL

<i>Gary D. Lipson, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Robert Weiner, Esq.</i>	-	<i>Non- Public Arbitrator</i>
<i>Paul Lilling</i>	-	<i>Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Gary D. Lipson, Esq.
Chair, Public Arbitrator

Signature Date

/s/
Paul Lilling
Non- Public Arbitrator

Signature Date

/s/
Robert Weiner, Esq.
Public Arbitrator

Signature Date

June 24, 2002
Date of Service

NASD Dispute Resolution, Inc.
 Arbitration No. 99-02928
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The Panel has assessed forum fees of \$1,200.00 to Claimant.

The Panel has assessed forum fees of \$1,200.00 to Respondent SSB.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is charged with the following fees and costs:

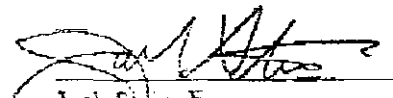
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Member Fees	= \$ 6,100.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 1,200.00

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

Parties' Signatures


 Jack Stein, Esq.
 Stein, Rosenberg & Winikoff
 Attorney for Claimant


 Signature Date



Neil B. Solomon, Esq.
Greenberg Traurig P.A.
Attorney for Respondents
Salomon Smith Barney, Inc.,
Mitchell H. Firsch, Murray Levin,
and Kenneth P. Arnold

6/12/02
Signature Date

ARBITRATION PANEL

Gary D. Lipson, Esq.
Robert Weiner, Esq.
Paul Lilling

Public Arbitrator, Presiding Chair
Non-Public Arbitrator
Public Arbitrator

Concurring Arbitrators' Signatures

Gary D. Lipson, Esq.
Chair, Public Arbitrator

Signature Date

Paul Lilling
Public Arbitrator

Signature Date

Robert Weiner, Esq.
Non-Public Arbitrator

Signature Date

Date of Service

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FL ARBITRATION

NASD Dispute Resolution, Inc.
Arbitration No. 99-02928
Award Page 5 of 5

Neil B. Solomon, Esq.
Greenberg Traurig P.A.
Attorney for Respondents
Salomon Smith Barney, Inc.,
Mitchell H. Hirsch, Murray Levin,
and Kenneth P. Arnold

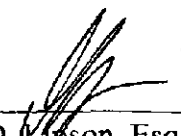
Signature Date

ARBITRATION PANEL

Gary D. Lipson, Esq. -
Robert Weiner, Esq. -
Paul Lilling -

Public Arbitrator, Presiding Chair
Non- Public Arbitrator
Public Arbitrator

Concurring Arbitrators' Signatures



Gary D. Lipson, Esq.
Chair, Public Arbitrator

6/17/02

Signature Date

Paul Lilling
Public Arbitrator

Signature Date

Robert Weiner, Esq.
Non-Public Arbitrator

Signature Date

Date of Service

Neil B. Solomon, Esq.
Greenberg Traurig P.A.
Attorney for Respondents
Salomon Smith Barney, Inc.,
Mitchell H. Hirsch, Murray Levin,
and Kenneth P. Arnold

Signature Date

ARBITRATION PANEL

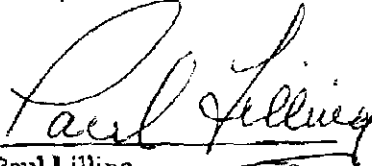
Gary D. Lipson, Esq. -
Robert Weiner, Esq. -
Paul Lilling -

Public Arbitrator, Presiding Chair
Non- Public Arbitrator
Public Arbitrator

Concurring Arbitrators' Signatures

Gary D. Lipson, Esq.
Chair, Public Arbitrator

Signature Date



Paul Lilling
Non- Public Arbitrator

June 18, 2002

Signature Date

Robert Weiner, Esq.
Public Arbitrator

Signature Date

Date of Service

NASD Dispute Resolution, Inc.
Arbitration No. 99-02928
Award Page 5 of 5



Neil B. Solomon, Esq.
Greenberg Traurig P.A.
Attorney for Respondents
Salomon Smith Barney, Inc.,
Mitchell H. Hirsch, Murray Levin,
and Kenneth P. Arnold

6/12/02
Signature Date

ARBITRATION PANEL

Gary D. Lipson, Esq.
Robert Weiner, Esq.
Paul Lilling

Public Arbitrator, Presiding Chair
Non-Public Arbitrator
Public Arbitrator

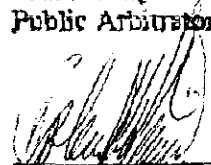
Concurring Arbitrators' Signatures

Gary D. Lipson, Esq.
Chair, Public Arbitrator

Signature Date

Paul Lilling
Public Arbitrator

Signature Date



Robert Weiner, Esq.
Public Arbitrator

6/14/02
Signature Date

Date of Service