

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Stone Manufacturing, Inc. f/k/a
Umbro International, Inc.

Case No. 99-04652

Name of Respondent

Salomon Smith Barney, Inc.

REPRESENTATION OF PARTIES

For Stone Manufacturing, Inc. f/k/a Umbro International, Inc. ("Stone"), hereinafter referred to as "Claimant": W. Shawn Murnahan, Esq. of Alston & Bird LLP, Atlanta, Georgia.

For Salomon Smith Barney, Inc. ("Salomon"), hereinafter referred to as "Respondent": Sean J. Coughlin, Esq., General Counsel's Office, Salomon, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: October 13, 1999.

Claimant signed the Uniform Submission Agreement: October 13, 1999.

Statement of Answer filed by Respondent on or about: December 22, 1999.

Respondent signed the Uniform Submission Agreement: January 7, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: action for accounting; breach of contract; and negligence. The causes of action relate to an international sales transaction in which Salomon acted as Stone's exclusive financial advisor.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Respondent complied with the contract between the parties; there was no negligence on the part of Respondent; and, Respondent is not liable for any alleged losses as Claimant contractually agreed to indemnify Respondent for any alleged losses resulting from the sale of its assets.

RELIEF REQUESTED

Claimant requested an accounting plus an award in a sum in excess of \$734,423.00, interest, costs, attorneys' fees and any other relief the Arbitration Panel deemed appropriate.

Respondent requested an award dismissing this claim in its entirety and an assessment of all costs against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

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 evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable and shall pay to Claimant the sum of \$723,210.49 plus pre-judgment interest at the rate of 6.5% per annum from April 23, 1999 until the date of the Award.

All other requests for relief not specifically addressed herein are denied.

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

Adjournment Fees

Adjournments requested during these proceedings:

November 28-30, 2000 Hearing Dates, joint adjournment request	= \$1,200.00
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to be split
equally
between the
parties.
= \$1,200.00

February 5-7, 2001 Hearing Dates, adjournment by Respondent

Forum Fees and Assessments

The Panel 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:

Two Pre-hearing sessions with Panel x \$1,200.00	= \$2,400.00
Pre-hearing conferences: May 1, 2000	1 session
January 30, 2001	1 session
Four Hearing sessions x \$1,200.00	= \$4,800.00
Hearing Dates: February 22, 2001	2 sessions
February 23, 2001	<u>2 sessions</u>
Total Forum Fees	= \$7,200.00

The Panel has assessed \$3,600.00 of the forum fees to Claimant.

The Panel has assessed \$3,600.00 of the forum fees to Respondent.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$375.00
Adjournment Fee	= \$600.00
Forum Fees	= \$3,600.00
Total Fees	= \$4,575.00
<u>Less payments</u>	<u>= \$2175.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$2,400.00

Respondent be and hereby is solely liable for:

Member Fees	= \$6,100.00
Adjournment Fee	= \$1,800.00

Forum Fees	= \$3,600.00
Total Fees	= \$11,500.00
<u>Less payments</u>	<u>= \$7,900.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$3,600.00

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award of the parties.

Concurring Arbitrators' Signatures

_____/s/_____
Kelly Jean Beard, J.D.

Signature Date

Public Arbitrator, Presiding Chair

_____/s/_____
Lisa A. Azzato, J.D.

Signature Date

Public Arbitrator

_____/s/_____
S. Bennett Whipple

Signature Date

Industry Arbitrator

March 21, 2001
Date of Service (For NASD-DR office use only)

Forum Fees	= \$3,600.00
Total Fees	= \$11,500.00
<u>Less payments</u>	<u>= \$7,900.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$3,600.00

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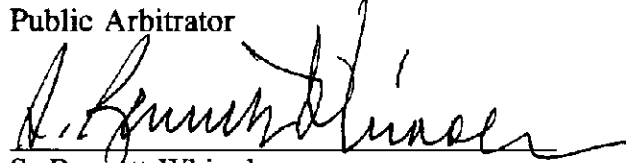
Concurring Arbitrators' Signatures

Kelly Jean Beard, J.D.
Public Arbitrator, Presiding Chair

Signature Date

Lisa A. Azzato, J.D.
Public Arbitrator

Signature Date



S. Bennett Whipple
Industry Arbitrator

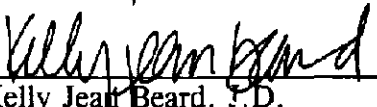
Mar. 10, 2001
Signature Date

Date of Service (For NASD-DR office use only)

Forum Fees	= \$3,600.00
Total Fees	= \$11,500.00
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Concurring Arbitrators' Signatures



Kelly Jean Beard, J.D.
Public Arbitrator, Presiding Chair

3.9.01

Signature Date

Lisa A. Azzato, J.D.
Public Arbitrator

Signature Date

S. Bennett Whipple
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

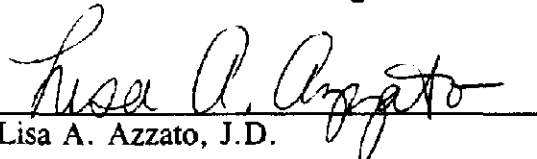
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Kelly Jean Beard, J.D.
Public Arbitrator, Presiding Chair

Signature Date



Lisa A. Azzato, J.D.
Public Arbitrator



Signature Date

S. Bennett Whipple
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)