Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Linda Stephens-Jones

Case Number: 04-03491

Name of the Respondent
Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Linda Stephens-Jones, hereinafter referred to as "Claimant": Scott Silver, Esq., Blum and Silver, LLP, Coral Springs, Florida.

For Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., hereinafter referred to as "Respondent": Stephen A. Mendelsohn, Esq., Greenberg Traurig, P.A., Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: May 10, 2004.
Claimant signed the Uniform Submission Agreement: April 25, 2004.
Statement of Answer filed by Respondent on or about: July 21, 2004.
Respondent did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: violation of industry rules, including NYSE's "Know Your Customer" standard (Rule 405) and NASD's customer suitability standard (Rule 2130); breach of contract; breach of fiduciary duty; common law fraud; negligence; and, negligent hiring, retention and supervision by Respondent of its employees. The causes of action relate to Respondent's alleged misconduct in connection with the purchase in Claimant's accounts of various technology, telecommunications and internet common stocks, including, but not limited to, the following: Worldcom; Global Crossing; AOL; Dell Computer; Ericsson; Oracle; Lucent Technologies; Custom Tracks Corp.; Ciena; and, Novell.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: compensatory damages of approximately $125,000.00; interest at the legal rate from the date of purchase, or reasonable market return; rescission; punitive damages; the costs of this proceeding; and such other relief as deemed just and proper.

Respondent requested that the matter be denied in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On the final day of evidentiary hearings, Claimant moved for monetary sanctions. Claimant asserted that Respondent failed to produce a document when requested by Claimant to do so during the discovery phase of this proceeding. Respondent then produced the document on the eve of the final day of evidentiary hearings. In its response, Respondent asserted that it was unable to locate this document until such time. Claimant further moved for the Panel to exclude this document from submission into evidence. The Panel denied both of Claimant's motions.

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, 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 on the claims of breach of fiduciary duty, failure to supervise and broker misconduct, and shall pay to Claimant compensatory damages in the amount of $67,500.00, plus interest at the Florida Statutory rate, accruing from the date Claimant closed her individual account maintained by Respondent through payment of the award in full to Claimant.

Each party shall bear their own attorneys' fees.

All other claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= $ 300.00

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. Accordingly, Respondent is a member firm and a party.

Member Surcharge	= $1,700.00
Pre-hearing process fee	= $ 750.00
Hearing process fee	= $2,750.00
Total Member Fees	= $5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Three-Day Cancellation Fees
Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees
Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments
The Panel has assessed forum fees for each session conducted. A 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 (2) Pre-hearing sessions with the Panel @ $1,125.00/session			= $2,250.00
Pre-hearing conferences	September 22, 2004	1 session	
	May 2, 2005	1 session	
Four (4) Hearing sessions @ $1,125.00/session			= $4,500.00
Hearing Dates:	August 30, 2005	2 sessions	
	August 31, 2005	2 sessions	
Total Forum Fees			= $6,750.00

The Panel has assessed the total forum fees of $6,750.00 to Respondent.

Administrative Costs
Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

Fee Summary
Claimant is solely liable for:

Initial Filing Fee	= $ 300.00
Total Fees	= $ 300.00
Less Payments	= $ 300.00
Balance Due NASD Dispute Resolution	= $ 0.00

Respondent is solely liable for:

Member Fees	= $ 5,200.00
Forum Fees	= $ 6,750.00
Total Fees	= $11,950.00
Less Payments	= $ 5,575.00
Balance Due NASD Dispute Resolution	= $ 6,375.00

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

ARBITRATION PANEL

Lee E. Karofsky, JD	-	Public Arbitrator, Presiding Chairperson
Harry A. Kearney	-	Public Arbitrator
Robert M. Reback	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Lee E. Karofsky, JD
Public Arbitrator, Presiding Chairperson

September 2, 2005
Signature Date

/s/
Harry A. Kearney
Public Arbitrator

September 2, 2005
Signature Date

/s/
Robert M. Reback
Non-Public Arbitrator

September 6, 2005
Signature Date

September 6, 2005
Date of Service (For NASD Dispute Resolution office use only)

Respondent is solely liable for:

Member Fees	= $ 5,200.00
Forum Fees	= $ 6,750.00
Total Fees	= $11,950.00
Less Payments	= $ 5,575.00
Balance Due NASD Dispute Resolution	= $ 6,375.00

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

ARBITRATION PANEL

Lee E. Karofsky, JD	-	Public Arbitrator, Presiding Chairperson
Harry A. Kearney	-	Public Arbitrator
Robert M. Reback	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Lee E. Karofsky, JD
Public Arbitrator, Presiding Chairperson

9/2/05
Signature Date

Harry A. Kearney
Public Arbitrator

Signature Date

Robert M. Reback
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

Respondent is solely liable for:

Member Fees	= $ 5,200.00
Forum Fees	= $ 6,750.00
Total Fees	= $11,950.00
Less Payments	= $ 5,575.00
Balance Due NASD Dispute Resolution	= $ 6,375.00

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

ARBITRATION PANEL

Lee E. Karofsky, JD	-	Public Arbitrator, Presiding Chairperson
Harry A. Kearney	-	Public Arbitrator
Robert M. Reback	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Lee E. Karofsky, JD
Public Arbitrator, Presiding Chairperson

Signature Date

Harry A. Kearney
Public Arbitrator

Signature Date

Robert M. Reback
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

Respondent is solely liable for:

Member Fees	= $ 5,200.00
Forum Fees	= $ 6,750.00
Total Fees	= $11,950.00
Less Payments	= $ 5,575.00
Balance Due NASD Dispute Resolution	= $ 6,375.00

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

ARBITRATION PANEL

Lee E. Karofsky, JD	-	Public Arbitrator, Presiding Chairperson
Harry A. Kearney	-	Public Arbitrator
Robert M. Reback	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Lee E. Karofsky, JD
Public Arbitrator, Presiding Chairperson

Signature Date

Harry A. Kearney
Public Arbitrator

Signature Date

Robert M. Reback
Non-Public Arbitrator

9/6/05
Signature Date

Date of Service (For NASD Dispute Resolution office use only)