

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Beverly Blanos and Beverly Blanos IRA (Claimants) v. Matthew Zimmerman, Gibraltar Securities, Inc., Kirlin Securities, Inc., and Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. (Respondents)

Case Number: 00-03416

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Members and Associated Person.

REPRESENTATION OF PARTIES

Claimants Beverly Blanos ("Blanos") and Beverly Blanos IRA ("Blanos IRA") hereinafter collectively referred to as "Claimants": Philip G. Gentile, Esq., Sullivan & Donovan, LLP, Flemington, NJ.

Respondent Matthew Zimmerman ("Zimmerman"): Marc J. Friedman, Esq., Rich & Friedman, LLP, Parsippany, NJ. Previously *pro se*.

Respondent Gibraltar Securities, Inc. ("Gibraltar"): Matthew Farley, Esq., Drinker Biddle & Reath, LLP, New York, NY.

Respondent Kirlin Securities, Inc. ("Kirlin"): David Gorfinkel, Esq., John T. McGuire, P.C., New York, NY.

Respondent Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("SSB"): Christopher B. O'Malley, Esq., Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc., New York, NY.

Zimmerman, Gibraltar, Kirlin, and SSB are hereinafter collectively referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: August 6, 2000.

Blanos signed the Uniform Submission Agreement: July 26, 2000.

Statement of Answer filed by Respondent Zimmerman on or about: February 24, 2002.
Zimmerman did not sign the Uniform Submission Agreement.

Statement of Answer filed by Respondent Gibraltar on or about: October 5, 2000.

Gibraltar signed the Uniform Submission Agreement.

Statement of Answer filed by Respondent Kirlin on or about: October 5, 2000.
Kirlin signed the Uniform Submission Agreement: December 18, 2000.

Statement of Answer and Motion to Dismiss filed by Respondent SSB on or about:
October 6, 2000.
SSB signed the Uniform Submission Agreement: October 6, 2000.

CASE SUMMARY

Claimants asserted the following causes of action: failure to execute; negligence; false and misleading statements; respondeat superior; and suitability. Claimants' claim involved GT Global, Janus Fund; Federated Small Cap Securities; PaineWebber Retirement Money Fund; and corporate bonds.

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

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

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

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$10,000.00; compensatory damages in the amount of \$75,404.00; interest; costs; reasonable attorneys' fees; and such other and further relief as the arbitrators deem just and proper.

In his Answer, Respondent Zimmerman requested that this matter be denied.

In its Answer, Respondent Gibraltar requested that the claims against it be dismissed and the costs of this proceeding should be assessed against Claimants.

In its Answer, Respondent Kirlin requested that the Statement of Claim be dismissed in its entirety; legal fees and interest thereon; and such other and further relief as the Panel deems appropriate.

In its Answer and Motion to Dismiss, Respondent SSB requested that the Panel dismiss Claimants' claim.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Zimmerman did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On or about August 29, 2001, NASD Dispute Resolution was notified that the Claimants settled their claims with Respondents Gibraltar, Kirlin, and SSB and therefore, dismissed the claims against them with prejudice.

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, and the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein is 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	= \$225.00
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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 firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Gibraltar Securities Co. is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Kirlin Securities, Inc. is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Salomon Smith Barney, Inc n/k/a Citigroup Global Markets, Inc. is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

August 8 and 9, 2001, adjournment by Claimant	= Waived
June 19 and 20, 2002, adjournment by Zimmerman	= \$750.00
September 12 and 13, 2002, adjournment by Zimmerman	= Waived
April 9, 10, and 11, 2003, adjournment by Claimant	= Waived

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: June 11, 2001 1 session	

Two (2) Pre-hearing sessions with Panel @ \$750.00	= \$1,500.00
Pre-hearing conferences: March 22, 2001 1 session	
February 5, 2002 1 session	

Two (2) Hearing sessions @ \$750.00	= \$1,500.00
Hearing Date: March 23, 2004 2 sessions	
Total Forum Fees	= \$3,450.00

1. The Panel has assessed \$150.00, one-fifth of the forum fees from the March 22, 2001 initial pre-hearing conference; \$225.00, one-half of the forum fees from the June 11, 2001 pre-hearing conference; and \$375.00, one-half of the forum fees from the February 5, 2002 pre-hearing conference for a total of \$750.00 jointly and severally against Claimants.

2. The Panel has assessed \$150.00, one-fifth of the forum fees from the March 22, 2001 initial pre-hearing conference; \$225.00, one-half of the forum fees from the June 11, 2001 pre-hearing conference; \$375.00, one-half of the forum fees from the February 5, 2002 pre-hearing conference; and \$1,500.00, all of the forum fees from the March 23, 2004 hearing for a total of \$2,250.00 against Respondent Zimmerman.
3. The Panel has assessed \$150.00, one-fifth of the forum fees from the March 22, 2001 initial pre-hearing conference against Respondent Gibraltar.
4. The Panel has assessed \$150.00, one-fifth of the forum fees from the March 22, 2001 initial pre-hearing conference against Respondent Kirlin.
5. The Panel has assessed \$150.00, one-fifth of the forum fees from the March 22, 2001 initial pre-hearing conference against Respondent SSB.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	<u>= \$ 750.00</u>
Total Fees	= \$ 975.00
<u>Less payments</u>	<u>= \$ 975.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
2. Gibraltar is solely liable for:

Member Fees	= \$3,100.00
<u>Forum Fees</u>	<u>= \$ 150.00</u>
Total Fees	= \$3,250.00
<u>Less payments</u>	<u>= \$3,100.00</u>
Balance Due NASD Dispute Resolution	= \$ 150.00
3. Kirlin is solely liable for:

Member Fees	= \$3,100.00
<u>Forum Fees</u>	<u>= \$ 150.00</u>
Total Fees	= \$3,250.00
<u>Less payments</u>	<u>= \$3,100.00</u>
Balance Due NASD Dispute Resolution	= \$ 150.00
4. SSB is solely liable for:

Member Fees	= \$3,100.00
<u>Forum Fees</u>	<u>= \$ 150.00</u>
Total Fees	= \$3,250.00
<u>Less payments</u>	<u>= \$3,100.00</u>
Balance Due NASD Dispute Resolution	= \$ 150.00

5. Zimmerman is solely liable for:

Adjournment Fee	= \$ 750.00
Forum Fees	= \$2,250.00
Total Fees	= \$3,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$3,000.00

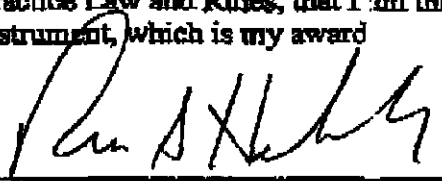
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Russell Stine Heckler, Esq.	-	Public Arbitrator, Presiding Chair
Anthony P. Connolly	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award



Russell Stine Heckler, Esq.
Public Arbitrator, Presiding Chairperson

4/5/04

Signature Date

Anthony P. Connolly
Public Arbitrator

Signature Date

Clifford A. Harwick
Non-Public Arbitrator

Signature Date

April 14, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

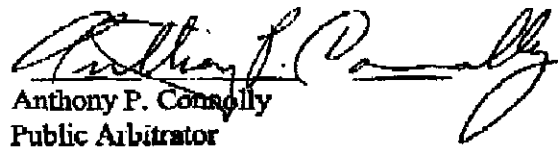
Russell Stine Heckler, Esq.	-	Public Arbitrator, Presiding Chair
Anthony P. Connolly	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

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Russell Stine Heckler, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Anthony P. Connolly
Public Arbitrator

3/30/04

Signature Date

Clifford A. Harwick
Non-Public Arbitrator

Signature Date

April, 14, 2004

Date of Service (For NASD Dispute Resolution use only)

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Anthony P. Connolly	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

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Russell Stine Heckler, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Anthony P. Connolly
Public Arbitrator

Signature Date



Clifford A. Harwick
Non-Public Arbitrator

Signature Date

April 14, 2004
Date of Service (For NASD Dispute Resolution use only)