

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Elizabeth E. Meyer, Individually and as Trustee of the Elizabeth E. Meyer Revocable Trust (Claimants) v. Denise Roberts, Bruce Spence, and Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. (Respondents)

Case Number: 00-04772

Hearing Site: Boston, Massachusetts

Nature of the Dispute: Customers v. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimant Elizabeth E. Meyer, Individually ("E. Meyer") and as Trustee of the Elizabeth E. Meyer Revocable Trust ("E. Meyer Revocable Trust") hereinafter collectively referred to as "Claimants": Robert M. Duffy, Esq., Duffy, Sweeney & Scott, LTD, formerly Duffy & Sweeney, LTD, Providence, RI.

Respondents Denise Roberts ("Roberts"), Bruce Spence ("Spence"), and Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") hereinafter collectively referred to as "Respondents": Eunice E. Lee, Bingham McCutchen, LLP, formerly Bingham Dana, LLP, Boston, MA. Previously represented by: Harry T. Walters, Esq., Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: October 27, 2000.

Amended Statement of Claim filed on or about: January 9, 2001.

Claimant E. Meyer signed the Uniform Submission Agreement: March 29, 2001.

Claimant E. Meyer Revocable Trust signed the Uniform Submission Agreement: September 30, 2004.

Joint Statement of Answer filed by Respondents Citigroup and Roberts on or about: January 30, 2001.

Statement of Answer and Motion to Dismiss filed by Respondent Spence on or about: February 23, 2001.

Respondent Citigroup signed the Uniform Submission Agreement: January 30, 2001.

Respondent Roberts did not sign the Uniform Submission Agreement.

Respondent Spence did not sign the Uniform Submission Agreement.

CASE SUMMARY

In the Statement of Claim and Amended Statement of Claim, Claimants asserted the following causes of action: breach of trust; breach of fiduciary duty; misrepresentation; negligence; suitability; churning; and unauthorized trading. Claimants' claim involved Washington Post Class B stock as well as other unspecified securities.

Unless specifically admitted in their Answer, Respondents Citigroup and Roberts denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$5,000,000.00; disgorgement of all fees and commissions paid; punitive damages; interest; reasonable attorneys' fees; and reimbursement of NASD arbitration fees incurred.

Respondents Citigroup and Roberts requested that the Statement of Claim be dismissed and that they be awarded costs of this proceeding.

Respondent Spence requested that the Statement of Claim be dismissed and that he be awarded costs of this proceeding.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Roberts and Spence did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

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. Respondent Roberts is liable for and shall pay to Claimant E. Meyer compensatory damages in the amount of \$147,345.00.

2. Respondent Spence is liable for and shall pay to Claimant E. Meyer punitive damages in the amount of \$50,000.00 (Failure to Supervise).
3. 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	= \$600.00
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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 that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is a party.

Member surcharge	= \$2,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$4,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

February 27-28, 2002, adjournment by Citigroup	= \$1,200.00
March 20-21, and 26-27, 2002, joint adjournment request	= Waived
April 9-10, 2002, joint adjournment request	= Waived
May 9-10, 2002, joint adjournment request	= Waived
August 6-9, 2002, 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:

Four (4) Pre-hearing sessions with Panel @ \$1,200.00	= \$ 4,800.00
Pre-hearing conferences:	
August 1, 2001	1 session
January 10, 2002	1 session
March 13, 2002	1 session
October 29, 2002	1 session

Thirty-two (32) Hearing sessions @ \$1,200.00	= \$38,400.00
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Hearing Dates:	February 25, 2003	2 sessions
	February 26, 2003	2 sessions
	April 16, 2003	2 sessions
	April 17, 2003	2 sessions
	April 18, 2003	1 session
	November 3, 2003	2 sessions
	November 4, 2003	2 sessions
	November 5, 2003	2 sessions
	November 18, 2003	2 sessions
	November 19, 2003	2 sessions
	November 20, 2003	2 sessions
	July 13, 2004	2 sessions
	July 14, 2004	2 sessions
	August 25, 2004	2 sessions
	August 26, 2004	1 session
	September 8, 2004	2 sessions
	September 9, 2004	2 sessions
<hr/> Total Forum Fees		= \$43,200.00

1. The Panel has assessed \$43,200.00 of the forum fees jointly and severally against Respondents.

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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Citigroup requested photocopies = \$53.50

Fee Summary

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 600.00
Total Fees	= \$ 600.00
<u>Less payments</u>	= \$ 2,570.00
Refund due Claimants	= \$ 1,970.00

2. Respondent Citigroup is solely liable for:

Member Fees	= \$ 7,600.00
Adjournment Fee	= \$ 1,200.00
Administrative Costs	= \$ 53.50
Total Fees	= \$ 8,853.50
<u>Less payments</u>	= \$ 6,853.50

Balance Due NASD Dispute Resolution = \$ 2,000.00

3. Respondents are jointly and severally liable for:

Forum Fees	= \$43,200.00
Total Fees	= \$43,200.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$43,200.00


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

ARBITRATION PANEL

David E. Marsan, Esq.	-	Public Arbitrator, Presiding Chairperson
William L. Carmen, CPA	-	Public Arbitrator
Richard C. Toland	-	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 in which is my award.



David E. Marsan, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

William L. Carmen, CPA
Public/Non-Public Arbitrator

Signature Date

Richard C. Toland
Non-Public Arbitrator

Signature Date

October 7, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

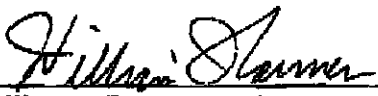
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William L. Carmen, CPA	-	Public Arbitrator
Richard C. Toland	-	Non-Public Arbitrator

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 in which is my award.

David E. Marsan, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



William L. Carmen, CPA
Public/Non-Public Arbitrator



Signature Date

Richard C. Toland
Non-Public Arbitrator

Signature Date

October 7, 2004
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