

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

James S. Turner, (Claimant) vs. Citigroup, Inc. and Citicorp Securities, Inc., (Respondents)

Case Number: 01-00657

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant James S. Turner, hereinafter referred to as "Claimant": Jeffrey Liddle, Esq., Liddle & Robinson, L.L.P., New York, NY.

Respondents, Citigroup, Inc. ("Citigroup") Citicorp Securities, Inc. ("Citicorp"): Jill Rosenberg, Esq., Orrick Herrington & Sutcliffe, LLP, New York, NY; and Ellen Slipp, Esq., Salomon Smith Barney, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: February 7, 2001.

Claimant signed the Uniform Submission Agreement: February 7, 2001.

Joint Statement of Answer filed by Citigroup and Citicorp on or about: May 22, 2001.

Joint Amended Statement of Answer filed by Citigroup and Citicorp on or about: April 10, 2002.

Citigroup did not sign a Uniform Submission Agreement.

Citicorp did not sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: fraud; negligent misrepresentation; breach of contract; unjust enrichment; breach of the implied covenant of good faith and fair dealing; promissory estoppel; tortious interference with business expectancy; and violations of the New York Labor Law.

Unless specifically admitted in their Answer, Citigroup and Citicorp denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant's claim of fraudulent inducement is groundless; because Citigroup did not owe Claimant a fiduciary duty, his claim for negligent misrepresentation is without merit; the statute of frauds bars Claimant's claim for promissory estoppel; Claimant's tortious interference with business expectancy claim is baseless; there can be no implied-in-fact contract between Citicorp and Claimant; Claimant can recover under neither quantum meruit nor unjust enrichment; under New York law, there is no implied duty of good faith and fair dealing in the employment relationship, and thus, Claimant's claim for relief on this basis must fail; Claimant's claim for relief under the New York Labor law is without merit under recent court of appeals precedent; Respondents did not breach any employment contract, express or implied, with Claimant, because Claimant was an employee-at-will; any losses, damages, or other injury allegedly suffered by Claimant arising in or out of Claimant's employment with Respondents were caused by Claimant's own actions or failure to act; to the extent Claimant asserts a claim based on alleged or oral representations made to him, such a claim is barred by the statute of frauds; some or all of Claimant's claims are barred by the applicable statute of limitations; some or all of Claimant's claims are barred by the doctrines of waiver and accord and satisfaction; and Claimant has failed to diligently mitigate his alleged damages, if any, and is therefore barred from receiving all or part of the relief requested in the Statement of Claim.

RELIEF REQUESTED

Claimant requested damages in the approximate amount of \$4,123,750.00 for unpaid bonus compensation, any and all other benefits due him, punitive damages, liquidated damages, interest at the New York statutory rate of 9% on all claims from the date said amounts were due, attorneys' fees, costs, and such other and further relief as the Panel deems appropriate under the circumstances.

Citigroup and Citicorp requested an Award dismissing Claimant's claim against them and directing Claimant to pay Respondents the reasonable costs and disbursements incurred in defending this proceeding.

OTHER ISSUES CONSIDERED AND DECIDED

Citigroup and Citicorp did not file with NASD Dispute Resolution properly executed submissions to arbitration but are required to submit to arbitration pursuant to a court order and the NASD Code of Arbitration Procedure and, having answered the claim, 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, 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. Claimant's claims are hereby dismissed in their entirety.
2. All other requests for relief are hereby 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

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 person at the time of the events giving rise to the dispute. In this matter, Citicorp Securities, Inc. is a party.

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

Adjournment Fees

Adjournments requested during these proceedings:

September 12, 2002, adjournment by Claimant	= WAIVED
---	----------

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 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 x \$450.00	= \$ 450.00
Pre-hearing conference: April 4, 2002 1 session	
One (1) Pre-hearing session with Panel x \$1,200.00	= \$ 1,200.00
Pre-hearing conference: December 4, 2001 1 session	
Fourteen (14) Hearing sessions x \$1,200.00	= \$16,800.00
Hearing Dates: June 10, 2002 2 sessions	
July 23, 2002 2 sessions	
July 24, 2002 2 sessions	
July 25, 2002 2 sessions	
September 10, 2002 2 sessions	
October 9, 2002 2 sessions	
October 15, 2002 1 session	
December 20, 2002 1 session	
Total Forum Fees	= \$18,450.00

1. The Panel has assessed \$9,225.00 of the forum fees against Claimant.
2. The Panel has assessed \$9,225.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 9,225.00</u>
Total Fees	= \$ 9,825.00
<u>Less payments</u>	<u>= \$ 1,800.00</u>
Balance Due NASD Dispute Resolution	= \$ 8,025.00

2. Citicorp is solely liable for:

<u>Member Fees</u>	= \$ 7,600.00
<u>Total Fees</u>	= \$ 7,600.00
<u>Less payments</u>	= \$ 7,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Citigroup and Citicorp are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 9,225.00
<u>Total Fees</u>	= \$ 9,225.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 9,225.00

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

ARBITRATION PANEL

Robert E. Anderson, Esq.	-	Public Arbitrator, Presiding Chair
Pamela H. Roderick	-	Public Arbitrator
Alice J. Dutton	-	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.



Robert E. Anderson, Esq.
Public Arbitrator, Presiding Chair

1/24/03
Signature Date

Pamela H. Roderick
Public Arbitrator

Signature Date

Alice J. Dutton
Non-Public Arbitrator

Signature Date

January 28, 2003
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Robert E. Anderson, Esq.	-	Public Arbitrator, Presiding Chair
Pamela H. Roderick	-	Public Arbitrator
Alice J. Dutton	-	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.

Robert E. Anderson, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Pamela H. Roderick
Public Arbitrator


Signature Date

Alice J. Dutton
Non-Public Arbitrator

Signature Date

January 28, 2003
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Robert E. Anderson, Esq.	-	Public Arbitrator, Presiding Chair
Pamela H. Roderick	-	Public Arbitrator
Alice J. Dutton	-	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.

Robert E. Anderson, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Pamela H. Roderick
Public Arbitrator

Signature Date

Alice J. Dutton
Alice J. Dutton
Non-Public Arbitrator

1/24/03
Signature Date

January 28, 2003
Date of Service (For NASD Dispute Resolution use only)