

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Frank Albanese (Claimant) vs. Salomon Smith Barney, Inc., Salomon Smith Barney Holdings, Inc., Citigroup Inc. f/k/a Travelers Group, Inc., and Citigroup/Travelers Group Capital Accumulation Plan (Respondents)

Case Number: 01-06324

Hearing Site: Buffalo, New York

Nature of the Dispute: Associated Person v. Member and Non-members

REPRESENTATION OF PARTIES

Claimant, Frank Albanese ("Albanese"), hereinafter referred to as "Claimant": Jerauld E. Brydges Esq., Harter, Secrest & Emery LLP, Rochester, NY.

Respondents, Salomon Smith Barney Inc. ("SSB"), Salomon Smith Barney Holdings, Inc. ("SSB Holdings"), Citigroup, Inc. f/k/a Travelers Group, Inc ("Citigroup") and Citigroup/Travelers Group Capital Accumulation Plan ("CAP") hereinafter, collectively referred to as "Respondents": Jerry M. Santangelo, Esq., Neal, Gerber, & Eisenberg, Chicago, IL.

CASE INFORMATION

Statement of Claim filed on or about: November 21, 2001.

Claimant signed the Uniform Submission Agreement: November 13, 2001.

Joint Statement of Answer and Counterclaim filed by Respondents on or about: March 25, 2002.

SSB signed the Uniform Submission Agreement: November 7, 2002.

SSB Holdings signed the Uniform Submission Agreement: November 7, 2002.

Citigroup signed the Uniform Submission Agreement: November 7, 2002.

CAP signed the Uniform Submission Agreement: March 22, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: improper deduction of wages under New York Labor Law; breach of compensation plan; breach of implied covenant of good faith and fair dealing; conversion; breach of implied agreement; equitable estoppel; unjust enrichment; failure to reimburse expenses; failure to pay severance; and wrongful termination.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In its Counterclaim, SSB alleged that Claimant failed to repay an advance of his 2001 Incentive Bonus.

RELIEF REQUESTED

Claimant requested compensatory damages against Respondents in the amount of \$101,756.97, plus interest and additional costs, attorneys' fees, and liquidated damages under Labor Law Section 198. Claimant also requested compensatory damages against SSB in the amounts of \$66,488.00, \$3,350.00, \$900,000.00, and in excess of \$500,000.00, plus interest.

Respondents requested that the Panel enter an award dismissing the Statement of Claim in its entirety; awarding SSB judgment on its counterclaim for \$25,760.35 plus interest, costs and expenses; awarding Respondents their costs incurred in defending this action, including reasonable attorneys' fees and costs, and such other relief as the Panel deems just and equitable.

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, 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. Respondents' counterclaim is hereby dismissed in its entirety.
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	= \$ 500.00
Counterclaim filing fee	= \$1,000.00

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 persons at the time of the events giving rise to the dispute. SSB is a party and is assessed the following member fees:

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

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 Chairperson @ \$450.00	= \$ 450.00
Pre-hearing conference: June 17, 2003 1 session	
Three (3) Pre-hearing sessions with Panel @ \$1,200.00	= \$3,600.00
Pre-hearing conferences: December 4, 2002 1 session	
July 8, 2003 1 session	
August 12, 2003 1 session	
Six (6) Hearing sessions with Panel @ \$1,200.00	= \$7,200.00
Hearing Dates: October 15, 2003 2 sessions	
October 16, 2003 2 sessions	
October 17, 2003 2 sessions	
Total Forum Fees	= \$11,250.00

1. The Panel has assessed \$11,250.00 of the forum fees against SSB.

Fee Summary

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 500.00
Total Fees	= \$ 500.00
<u>Less payments</u>	= \$1,700.00
Refund Due	= \$1,200.00

2. SSB is solely liable for:

Counterclaim Filing Fee	= \$ 1,000.00
Member Fees	= \$ 8,550.00
<u>Forum Fees</u>	= \$11,250.00
Total Fees	= \$20,800.00
<u>Less payments</u>	= \$10,000.00
Balance Due NASD Dispute Resolution	= \$10,800.00

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

ARBITRATION PANEL

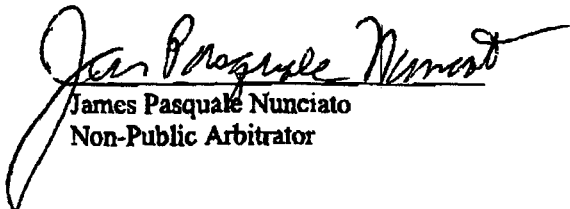
Michael P. Hennigen	-	Non-Public Arbitrator, Presiding Chair
James Pasquale Nunciato	-	Non-Public Arbitrator
Maryann Donahue-Yadon	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, that I am the individual described herein and who executed this instrument which is my award.

Michael P. Hennigen
Non-Public Arbitrator, Presiding Chairperson

Signature Date



James Pasquale Nunciato
Non-Public Arbitrator

11-14-03

Signature Date

Maryann Donahue-Yadon
Non-Public Arbitrator

Signature Date

November 14, 2003

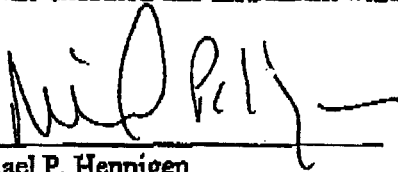
Date of Service (For NASD Dispute Resolution use only)

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11/14/03
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Non-Public Arbitrator

Signature Date

Maryann Donahue-Yadon
Non-Public Arbitrator

Signature Date

November 14, 2003

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James Pasquale Nunciato
Non-Public Arbitrator

Signature Date

Mary Ann Donahue-Yadon
Maryann Donahue-Yadon
Non-Public Arbitrator

11/18/03
Signature Date

November 14, 2003
Date of Service (For NASD Dispute Resolution use only)