

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Case Number: 02-04578

Burgess A. Brooks, Individually and
As Trustee of the Burgess A. Brooks Revocable Trust
U/A/O 11/04/99, and Burgess A. Brooks, Inc.

Name of the Respondents

Hearing Site: St. Louis, Missouri

Citigroup Global Markets, Inc.
f/k/a Salomon Smith Barney, Inc. and
Robert A. Rosenthal

NATURE OF DISPUTE

Customer vs. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Steven W. Koslovsky, Esq. of the Law Offices of Steven W. Koslovsky located in Maryland Heights (St. Louis), Missouri, represented Claimants, Burgess A. Brooks, Individually and As Trustee of the Burgess A. Brooks Revocable Trust U/A/O 11/04/99, and Burgess A. Brooks, Inc., hereinafter collectively referred to as "Claimants."

William A. Hohausser, Esq. of Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. represented Respondent, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., hereinafter referred to as "Respondent."

Martin Green, Esq. of the law firm of Green, Schaaf & Jacobson, P.C., located in Clayton, Missouri represented Respondent, Robert A. Rosenthal, hereinafter referred to as "Respondent."

CASE INFORMATION

Statement of Claim filed on or about August 5, 2002.

Claimants, Burgess A. Brooks, Individually and As Trustee of the Burgess A. Brooks Revocable Trust U/A/O 11/04/99, and Burgess A. Brooks, Inc., signed the Uniform Submission Agreement on July 29, 2002.

Statement of Answer jointly filed by Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Robert A. Rosenthal, on or about December 23, 2002.

Respondent, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., signed the Uniform Submission Agreement on December 20, 2002.

Respondent, Robert A. Rosenthal, did not submit a Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty, negligence, failure to supervise and violation of Missouri Securities Law, R.S.Mo. §409.010 *et seq.* The causes of action relate to a Trust Account, Corporate Account and an IRA Account. Claimants alleged that the recommendations made for an aggressive growth investment strategy, specifically, involving large margin debt, was high risk and did not meet Claimants' needs and objectives.

Unless specifically admitted in its Answer, Respondents, Citigroup Global Markets, f/k/a Salomon Smith Barney, Inc. and Robert Rosenthal, denied the allegations made in the Statement of Claim and asserted the following: Respondents acted in a professional, ethical manner in accord with applicable exchange and regulatory provisions; Respondents followed Claimants' instructions at all times until filing of Statement of Claim, no complaint was raised; Claimant was fully advised of all transactions both orally and in writing; Claimants approved investments in writing and reviewed periodically; and any losses were caused by market conditions beyond the control of Respondent.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 750,000.00
Punitive Damages	\$1,000,000.00
Interest	8% per annum
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

Respondents, Citigroup Global Markets, f/k/a Salomon Smith Barney, Inc. and Robert Rosenthal, requested that Statement of Claim be dismissed in its entirety and Respondents be awarded their costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent, Robert A. Rosenthal, did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to 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.

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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Any and all claims asserted by Claimants, Burgess A. Brooks, Individually and As Trustee of the Burgess A. Brooks Revocable Trust U/A/O 11/04/99, and Burgess A. Brooks, Inc., are denied.
2. Respondent, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is solely liable for and shall pay to Claimants, Burgess A. Brooks, Individually and As Trustee of the Burgess A. Brooks Revocable Trust U/A/O 11/04/99, and Burgess A. Brooks, Inc. the non-refundable NASD claim filing fee in the amount of \$500.00.
3. Parties shall bear their own costs, including attorneys' fees, except as specified herein.
4. Any and all relief not specifically addressed herein, including punitive damages, 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
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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 person at the time of the events giving rise to the dispute. Accordingly, Citigroup Global Market, Inc. f/k/a Salomon Smith Barney, Inc. is a party and is assessed the following fees:

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,000.00
Total fees	= \$ 8,550.00

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 Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conferences: February 13, 2003 1 session	

Six (6) Hearing sessions @ \$1,200.00	= \$ 7,200.00
Hearing Date(s):	
December 11, 2003	2 sessions
December 12, 2003	2 sessions
December 13, 2003	2 sessions
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Total Forum Fees	= \$ 8,400.00

1. The Panel has assessed 100% of the total forum fees in the amount of \$8,400.00 solely to Respondent, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.

Fee Summary

1. Claimants, Burgess A. Brooks, Individually and As Trustee of the Burgess A. Brooks Revocable Trust U/A/O 11/04/99, and Burgess A. Brooks, Inc. are jointly liable for:

Initial Filing Fee	= \$ 500.00
Less payments	= \$ 1,700.00
Refund Due from NASD Dispute Resolution	= \$ 1,200.00

2. Respondent, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. is solely liable for:

Member Fees	= \$ 8,550.00
Forum Fees	= \$ 8,400.00
Total Fees	= \$16,950.00
Less payments	= \$ 8,550.00
Balance Due NASD Dispute Resolution	= \$ 8,400.00

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

ARBITRATION PANEL

Richard H. Potter	-	Public Arbitrator, Presiding Chairperson
Frances O. Beach	-	Public Arbitrator
Theresa A. Secrest	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Richard H. Potter
Public Arbitrator, Presiding Chairperson

1-20-04
Signature Date

Frances O. Beach
Public Arbitrator

1-20-04
Signature Date

Theresa A. Secrest
Non-Public Arbitrator

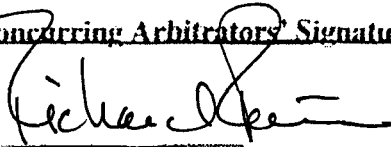
1-20-04
Signature Date

1-23-04
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

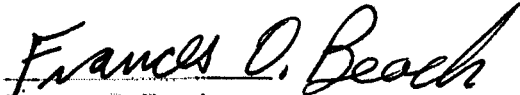
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Frances O. Beach	-	Public Arbitrator
Theresa A. Secrest	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Richard H. Potter
Public Arbitrator, Presiding Chairperson

1.20.04
Signature Date



Frances O. Beach
Public Arbitrator

Jan 20 04
Signature Date

Theresa A. Secrest
Non-Public Arbitrator

Signature Date

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

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Frances O. Beach	-	Public Arbitrator
Theresa A. Seerst	-	Non Public Arbitrator


Concurring Arbitrators' Signatures

Richard H. Potter
Public Arbitrator, Presiding Chairperson

Signature Date

Frances O. Beach
Public Arbitrator

Signature Date



Theresa A. Seerst
Non Public Arbitrator

1/20/04

Signature Date

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