

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Steven S. Myers, as Trustee of the Steven S. Myers Revocable Trust U/A/D 12/01/00, on behalf of the Steven S. Meyers IRA, as Custodian for Jennifer Meyers, and as Custodian for Melissa Myers, Claimants v. Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. and Kandy E. Quigg, Respondents

Case Number: 02-06578

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimants:

Jeff Dennis Ferentz, Esq.
Law Offices of Jeff Dennis Ferentz, Inc.
Newport Beach, California

For Respondents:

Michael M. Gless, Esq.
Law Offices of Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed: October 29, 2002

Claimants' Joint Uniform Submission Agreement signed: October 28, 2002

Joint Statement of Answer filed by Respondents: February 5, 2003

Respondent Salomon Smith Barney n/k/a Citigroup Global Markets, Inc.'s Uniform Submission Agreement signed: January 21, 2003

Respondent Kandy E. Quigg's Uniform Submission Agreement signed: December 8, 2003

CASE SUMMARY

Claimants alleged unsuitability, negligence, failure to execute, breach of contract, breach of fiduciary duty, fraud, failure to supervise, and violation of the rules and regulations of various exchanges, including NASD and NYSE. Claimants' allegations involved transactions in shares of Precise Software Solutions, Quest Software Inc., and Lockheed stock.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested \$999,258.00 in compensatory damages, disgorgement of an unspecified amount, pre- and post-judgment interest, and costs, including attorney's fees.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On November 22, 2002, Claimants signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators. On December 2, 2002, Claimants' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On January 3, 2002, Respondents' counsel signed a Waiver Agreement on Respondents' behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

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

1. Claimants' claims are denied in their entirety.
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Kandy E. Quigg's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Kandy E. Quigg must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The Parties shall bear their respective costs, including attorney's fees.
4. All other relief requested and not expressly granted is denied.

FEEs

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 375.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 4,000.00</u>
Total Member Fees	= \$ 7,000.00

Adjournment Fees

The following adjournment fees are assessed:

November 24, 25, 26, 2003, adjournment requested by Respondent Kandy E. Quigg	= \$ 1,200.00
September 28, 2004, adjournment requested by Claimants	= \$ 1,200.00

1. The Panel assessed \$1,200.00 of adjournment fees jointly and severally to Claimants.
2. The Panel assessed \$1,200.00 of adjournment fees to Respondent Kandy E. Quigg.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

September 28, 2004, adjournment requested by Claimants = \$ 300.00

The Panel assessed \$300.00 of the cancellation fees to Claimants.

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,200.00/session = \$ 1,200.00

Pre-hearing conference: May 28, 2003 1 session

Six (6) Hearing sessions @ \$1,200.00/session = \$ 7,200.00

Hearings: September 29, 2004 2 sessions
September 30, 2004 2 sessions
October 1, 2004 2 sessions

Total Forum Fees = \$ 8,400.00

1. The Panel assessed \$4,200.00 of the forum fees to Claimants.
2. The Panel assessed \$4,200.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants Steven S. Myers, as Trustee of the Steven S. Myers Revocable Trust U/A/D 12/01/00, on behalf of the Steven S. Meyers IRA, as Custodian for Jennifer Meyers, and as Custodian for Melissa Myers are charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 1,200.00
Three-Day Cancellation Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 4,200.00</u>
Total Fees	= \$ 6,075.00
Less payments	= \$ (1,575.00)
<u>Less unused Mediation Deposit</u>	<u>= \$ (499.50)</u>
Balance Due NASD Dispute Resolution	= \$ 4,000.50

2. Respondent Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. is charged with the following fees and costs:

<u>Member Fees</u>	= \$ 7,000.00
<u>Total Fees</u>	= \$ 7,000.00
<u>Less payments</u>	= \$ (7,000.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondent Kandy E. Quigg is charged with the following fees and costs:

<u>Adjournment Fee</u>	= \$ 1,200.00
<u>Total Fees</u>	= \$ 1,200.00
<u>Less payments by Salomon Smith Barney n/k/a Citigroup Global Markets, Inc.</u>	= \$ (1,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondents Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. and Kandy E. Quigg are charged jointly and severally with the following fees and costs:

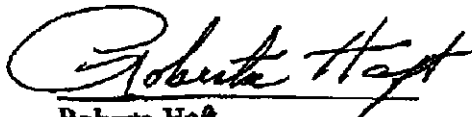
<u>Forum Fees</u>	= \$ 4,200.00
<u>Total Fees</u>	= \$ 4,200.00
<u>Less unused Mediation Deposit by Respondent Salomon Smith Barney n/k/a Citigroup Global Markets, Inc.</u>	= \$ (499.50)
Balance Due NASD Dispute Resolution	= \$ 3,700.50

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

ARBITRATION PANEL

Roberta Haft	-	Public Arbitrator, Presiding Chair
Ed Gartenberg, Esq.	-	Public Arbitrator
Larry Hangaard	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Roberta Haft
Chair, Public Arbitrator

10/5/04
Signature Date

Ed Gartenberg, Esq.
Public Arbitrator

Signature Date

Larry Hangaard
Non-Public Arbitrator

Signature Date

10/05/04
Date of Service

ARBITRATION PANEL

Roberta Haft	-	Public Arbitrator, Presiding Chair
Ed Gartenberg, Esq.	-	Public Arbitrator
Larry Haugaard	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Roberta Haft
Chair, Public Arbitrator

Signature Date

Ed Gartenberg, Esq.
Public Arbitrator

Signature Date



Larry Haugaard
Non-Public Arbitrator

10-5-04
Signature Date

10/05/04
Date of Service


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Ed Gartenberg, Esq.	-	Public Arbitrator
Larry Haugeard	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Roberta Haft
Chair, Public Arbitrator

Signature Date



Ed Gartenberg, Esq.
Public Arbitrator

10/6/04

Signature Date

Larry Haugeard
Non-Public Arbitrator

Signature Date

Date of Service