

**Stipulated Award  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Paul Wiebel (Claimants) vs. Salomon Smith Barney, Inc. and George Feneis (Respondents)

Case Number: 02-07073

Hearing Site: New York, New York

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Nature of the Dispute: Customer vs. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimant Paul Wiebel hereinafter referred to as "Claimant": David L. Johnson, Esq., Morris, Downing & Sherred, LLP, Newton, NJ.

Respondent Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("Salomon") and George Feneis ("Feneis") hereinafter collectively referred to as "Respondents": Daniel R. Korb, Jr., Esq., Bressler, Amery & Ross, P.C., Florham Park, NJ.

**CASE INFORMATION**

Statement of Claim filed on or about: November 21, 2002.

Claimant signed the Uniform Submission Agreement: November 19, 2002.

Statement of Answer filed by Respondents on or about: March 11, 2003.

Respondent Salomon did not submit the Uniform Submission Agreement.

Respondent Feneis did not submit the Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: unauthorized and excessive trading, fraud and misconduct, unsuitability, misrepresentation and omissions, breach of fiduciary obligations, failure to supervise, breach of customer agreement, negligence, gross negligence, negligent misrepresentation, and respondeat superior. The causes of action relate to Zonagen, Inc.'s stock.

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

**RELIEF REQUESTED**

Claimant requested unspecified compensatory damages, punitive damages, costs,

attorneys' fees and interest.

Respondents requested the dismissal of the Statement of Claim in its entirety and an award of costs and such other relief as the Panel deems just and proper.

### **OTHER ISSUES CONSIDERED AND DECIDED**

By letter dated July 6, 2006 Claimant notified NASD Dispute Resolution that the parties had settled their disputes.

By letter dated July 12, 2006 the parties were notified that the matter was closed and removed from the arbitration docket. By letter dated August 11, 2006, the parties requested a Stipulated Award. The parties' request was denied because the matter was closed. By letter August 22, 2006, the parties filed a Motion to Re-Open the matter. After due deliberation, the Panel granted the Motion.

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**

The parties entered into an agreement to present to the Panel a Stipulated Award. Now in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The listed parties have amicably resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent George Feneis' 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, George Feneis 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 attorneys' fees, except as fees are specifically addressed below; and
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 = \$ 250.00

**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. Accordingly, Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets is a party.

Member surcharge = \$1,500.00  
Pre-hearing process fee = \$ 750.00  
Hearing process fee = \$2,200.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

October 5-7, and 25-27, 2005 adjournment by Claimant = \$1,000.00  
Claimant's share = \$500.00  
Respondents' share = \$500.00 jointly and severally

**Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

Two (2) Pre-hearing session with Panel @ \$1,000.00	= \$2,000.00
Pre-hearing conferences: January 6, 2005 1 session	
September 21, 2005 1 session	
<hr/> Total Forum Fees	<hr/> = \$2,000.00

The forum fee for the January 6, 2005 pre-hearing conference is assessed as follows:

1. The Panel has assessed \$500.00 of the forum fees to Claimant
2. The Panel has assessed \$500.00 of the forum fees jointly and severally to Respondents.

The forum fee for the September 21, 2005 pre-hearing conference is assessed in accordance with Rule 10306 of the NASD Code of Arbitration Procedure.

1. Claimant is assessed \$333.33 of the forum fees.
2. Respondent Salomon is assessed \$333.33 of the forum fees.
3. Respondent Feneis is assessed \$333.33 of the forum fees.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
Adjournment Fee	= \$ 500.00
Forum Fees	= \$1,000.00
<hr/> Total Fees	<hr/> = \$1,750.00

<u>Less payments</u>	= \$1,750.00
Balance Due NASD Dispute Resolution	= \$ 0.00

*Pursuant to Rule 10332(f) of the Code of Arbitration Procedure, NASD is retaining the total amount of the hearing session deposited by the Claimant because this office was notified by the parties that they settled or withdrew this matter within eight business days of the first scheduled hearing session.*

2. Respondent Salomon is solely liable for:

Member Fees	= \$4,450.00
<u>Forum Fees</u>	= \$ 333.33
Total Fees	= \$4,783.33
<u>Less payments</u>	= \$4,783.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

Adjournment Fees	= \$ 500.00
<u>Forum Fees</u>	= \$ 500.00
Total Fees	= \$1,000.00
<u>Less payments</u>	= \$1,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondent Feneis is solely liable for:

<u>Forum Fees</u>	= \$ 333.33
Total Fees	= \$ 333.33
<u>Less payments</u>	= \$ 333.33
Balance Due NASD Dispute Resolution	= \$ 0.00


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

**ARBITRATION PANEL**

Bennett A. Hall	-	Public Arbitrator, Presiding Chairperson
Eugene F. Farabaugh, Esq.	-	Public Arbitrator
Alfred P. Reeves, III	-	Non-Public Arbitrator

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.

**Concurring Arbitrators' Signatures**

  
Bennett A. Hall  
Public Arbitrator, Presiding Chairperson

10-11-06  
Signature Date

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Alfred P. Reeves, III  
Non-Public Arbitrator

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Signature Date

December 12, 2006  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

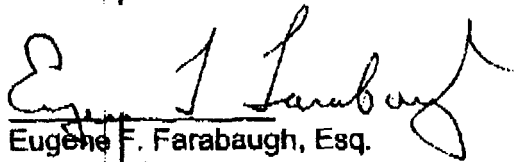
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Alfred P. Reeves, III	-	Non-Public Arbitrator

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**Concurring Arbitrators' Signatures**

Bennett A. Hall  
Public Arbitrator, Presiding Chairperson

Signature Date

  
Eugene F. Farabaugh, Esq.  
Public Arbitrator

12/08/06  
Signature Date

Alfred P. Reeves, III  
Non-Public Arbitrator

Signature Date

December 12, 2006  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

Bennett A. Hall	-	Public Arbitrator, Presiding Chairperson
Eugene F. Farabaugh, Esq.	-	Public Arbitrator
Alfred P. Reeves, III	-	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

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Signature Date

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Eugene F. Farabaugh, Esq.  
Public Arbitrator

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Signature Date

  
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Alfred P. Reeves, III  
Non-Public Arbitrator

10-13-06  
Signature Date

December 12, 2006  
Date of Service (For NASD Dispute Resolution use only)