
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

John W. Demaree, IRA and John W. Demaree
as Trustee f/b/o John W. Demaree Charitable
Remainder Trust

Case Number: 02-07565

Names of the Respondents

Citigroup Global Markets, Inc. f/k/a
Salomon Smith Barney, Inc.
Charles Sawicki
Joseph S. Jones, IV

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For John W. Demaree, IRA and John W. Demaree as Trustee f/b/o John W. Demaree Charitable Remainder Trust ("Demaree"), hereinafter referred to as "Claimants": Allan M. Lerner, Esq., Law Offices of Allan M. Lerner, P.A., Ft. Lauderdale, Florida.

For Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup"), Charles Sawicki ("Sawicki"), and Joseph S. Jones, IV ("Jones"), hereinafter collectively referred to as "Respondents": Richard L. Martens, Esq. and Charles L. Pickett, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: December 12, 2002.

Claimants signed the Uniform Submission Agreement: December 7, 2002.

Statement of Answer filed by Respondents on or about: March 4, 2003.

Respondent Citigroup signed but did not date the Uniform Submission Agreement.

Respondent Sawicki signed the Uniform Submission Agreement: February 28, 2003.

Respondent Jones signed the Uniform Submission Agreement: February 28, 2003.

Claimants' Response to Respondents' Affirmative Defenses filed on or about: March 17, 2003.

Amended Statement of Answer filed by Respondents on or about: March 18, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: violation of state securities statutes; negligence; breach of fiduciary duty; fraud; negligent supervision; and, breach of contract. The causes of action relate to the purchase and sale of various technology, telecommunications, and internet stocks in Claimants' accounts.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim, denied any liability for any alleged monetary damages, and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of \$650,000.00, punitive damages, pre-award interest, attorneys' fees, costs in accordance with Section 517.211 of the Florida Statutes, and such other relief as the Panel deemed just and proper.

Respondents requested that the claim be dismissed in its entirety, and that all costs be assessed against Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

On or about March 9, 2004, the parties advised NASD Dispute Resolution ("NASD") that they had settled this matter.

On or about March 24, 2004, the parties filed with NASD a Stipulation to Dismiss and Expunge Charles Sawicki and Joseph S. Jones' NASD Central Registration Depository ("CRD") Records and a proposed Stipulated Award.

This matter involved disputed claims and was settled by the parties prior to the submission of any evidence by any party, and prior to the final arbitration hearing. As such, no evidence was submitted to this Panel demonstrating any individual Respondent is culpable of any wrongdoing. Accordingly, all references to this arbitration proceeding shall be expunged from the CRD records of Respondents Sawicki and Jones.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings, the Stipulation to Dismiss and Expunge Sawicki and Jones' CRD Records, and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimants' withdrawal of all claims against Respondents, with prejudice, is accepted and Respondents are hereby dismissed from this matter.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondents Sawicki and Jones' 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, Respondents Sawicki and Jones must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 375.00
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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 persons at the time of the events giving rise to the dispute. Accordingly, Citigroup is a member firm and a party.

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

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were incurred in this matter.

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 the Panel @ \$1,200.00/session	= \$1,200.00
<u>Pre-hearing conference: June 5, 2003 1 session</u>	<u></u>
Total Forum Fees	= \$1,200.00

The Panel assessed forum fees of \$600.00 to Claimants, jointly and severally.

The Panel assessed forum fees of \$600.00 to Respondents, jointly and severally.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 600.00
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

James Barry Wright	-	Public Arbitrator, Presiding Chairperson
Jennifer Gwyn Klein	-	Public Arbitrator
Thomas R. Maimone, Sr.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/ _____
James Barry Wright
Public Arbitrator, Presiding Chairperson

04/05/04
Signature Date

/s/
Jennifer Gwyn Klein
Public Arbitrator

04/06/04
Signature Date

/s/
Thomas R. Maimone, Sr.
Non-Public Arbitrator

04/06/04
Signature Date

04/08/04
Date of Service (For NASD Dispute Resolution office use only)

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Respondents are jointly and severally liable for:

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Public Arbitrator, Presiding Chairperson


04/05/04
Signature / Date

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Public Arbitrator

Thomas R. Maimone, Sr.
Non-Public Arbitrator

Signature Date

Thomas Maimone 4/6/04
Signature Date

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