

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Gary M. Mulhall, Claimant v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.
and John F. Kiley, III, Respondents

Case Number: 02-07569

Hearing Site: Seattle, Washington

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

REPRESENTATION OF PARTIES

For Claimant:

Gary M. Mulhall
Pro Se
Olympia, Washington

For Respondent Citigroup Global Markets, Inc.:

Paul Giappone, Esq.
Citigroup Global Markets, Inc.
New York, New York

For Respondent John F. Kiley, III:

Eric D. Lansverk, Esq.
Hillis Clark Martin & Peterson
Seattle, Washington

CASE INFORMATION

Initial Statement of Claim filed: December 11, 2002

Amended Statement of Claim filed: January 27, 2003

Claimant's Uniform Submission Agreement signed: December 10, 2002

Joint Statement of Answer filed by Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and John F. Kiley III: February 12, 2003

Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.'s Uniform Submission Agreement signed: February 10, 2003

CASE SUMMARY

Claimant's Initial and Amended Statements of Claim alleged negligence, breach of fiduciary duty, unsuitability, and conflict of interest. Claimant's allegations involved the purchase and sale of various unspecified securities.

Respondents denied the allegations of wrongdoing set forth in Claimant's Initial and Amended Statements of Claim and asserted several affirmative defenses.

RELIEF REQUESTED

Claimant's Initial and Amended Statements of Claim requested compensatory damages in the amount \$52,006.00, pre-judgment interest, costs, forum fees, and attorney's fees.

Respondents requested dismissal of Claimant's Initial and Amended Statements of Claim in their entirety, with an award of costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent John F. Kiley III did not file with NASD Dispute Resolution a properly executed submission agreement, but he is required to submit to arbitration pursuant to the NASD's Code of Arbitration Procedure, and having answered the claim, is bound by the determination of the Panel on all issues submitted.

On January 27, 2003, Claimant filed an Amended Statement of Claim pursuant to NASD Code of Arbitration Procedure Rule 10328(a).

Prior to hearing, the parties notified NASD Dispute Resolution staff that they had entered into a settlement agreement and agreed to request that the Panel recommend the expungement of all references to the above-captioned arbitration from Respondent John F. Kiley III's registration records maintained by NASD within its CRD system.

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

AWARD

After considering the pleadings and the Parties' request for this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a settlement agreement.
2. This matter is dismissed with prejudice.
3. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent John F. Kiley III's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent John F. Kiley III must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. The parties shall bear their respective costs, including attorney's fees.
5. All other relief requested and not expressly granted is denied.

FEES

Pursuant to the 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	= \$ 225.00
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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 Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 1,700.00
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

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

One (1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$	750.00
Pre-hearing conference: June 16, 2003 1 session		
Total Forum Fees	= \$	750.00

- 1) The Panel assessed \$375.00 of the forum fees to Claimant.
- 2) The Panel assessed \$375.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$	225.00
Forum Fees	= \$	375.00
Total Fees	= \$	600.00
Less payments	= \$	(975.00)
Refund Paid to Claimant	= \$	(375.00)
2. Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is charged with the following fees and costs:

Member Fees	= \$	3,550.00
Less payment	= \$	(7,128.35)
Refund Paid to Respondent Citigroup Global Markets, Inc.	= \$	(3,578.35)
3. Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and John F. Kiley III are jointly and severally charged with the following fees and costs:

Forum Fees	= \$	375.00
Less payments by Citigroup Global Markets, Inc.	= \$	(375.00)
Balance Due NASD Dispute Resolution	= \$	0.00

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

<i>Sally Phillips Pasette</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Donald J. Horowitz, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Thomas E. Rausch</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


SALLY PHILLIPS PASETTE, ESQ.
Chair, Public Arbitrator

9-15-04
Signature Date

DONALD J. HOROWITZ, ESQ.
Public Arbitrator

Signature Date

THOMAS E. RAUSCH
Non-Public Arbitrator

Signature Date

9/28/04
Date of Service

ARBITRATION PANEL

<i>Sally Phillips Pasette</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Donald J. Horowitz, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Thomas E. Rausch</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

SALLY PHILLIPS PASETTE, ESQ.
Chair, Public Arbitrator

Signature Date


DONALD J. HOROWITZ, ESQ.
Public Arbitrator

9/24/04
Signature Date

THOMAS E. RAUSCH
Non-Public Arbitrator

Signature Date

9/28/04
Date of Service

ARBITRATION PANEL

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Concurring Arbitrators' Signatures

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Chair, Public Arbitrator

Signature Date

DONALD J. HOROWITZ, ESQ.
Public Arbitrator

Signature Date


THOMAS E. RAUSCH
Non-Public Arbitrator

9/22/2004
Signature Date

9/28/04
Date of Service