

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Robert S. Baker (Claimant) v. Salomon Smith Barney, Inc., n/k/a Citigroup Global Markets, Inc.,
Thomas N. Hemleben, and Jack Grubman (Respondents)

Case Number: 03-00111

Hearing Site: Columbus, Ohio

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

REPRESENTATION OF PARTIES

Claimant Robert S. Baker ("Claimant"): Earle R. Frost, Esq., Frost & Danchak, LLP, Columbus, OH.

Respondents Salomon Smith Barney, Inc., n/k/a Citigroup Global Markets, Inc., ("Citigroup"), Thomas N. Hemleben ("Hemleben") and Jack Grubman ("Grubman") hereinafter collectively referred to as ("Respondents"): Tzivia Masliansky, Esq., Neal, Gerber & Eisenberg, LLP, Chicago, IL.

CASE INFORMATION

Statement of Claim filed on or about: December 31, 2002.

Claimant signed the Uniform Submission Agreement: December 21, 2002.

Joint Statement of Answer filed by Respondents on or about: March 31, 2003.

Citigroup signed the Uniform Submission Agreement: May 12, 2003.

Grubman did not sign the Uniform Submission Agreement.

Hemleben did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; breach of fiduciary duty; unauthorized trading; unsuitability; fraudulent misrepresentation; omission of material facts; conflict of interest, and lack of supervision. The causes of action relate to Global Crossing 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 compensatory damages in the amount of \$70,000.00; interest accruing at the rate of 8% from the date of the loss until issuance of the award; punitive damages; disgorgement

of profits; costs; expenses, and all other relief as awarded by the Panel.

Respondents requested dismissal of the Statement of Claim in its entirety with prejudice and the costs associated with the arbitration be assessed against the Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Grubman and Hemleben did not file with NASD Dispute Resolution a properly executed submission agreement but are required to submit to arbitration pursuant to the Code and having answered the claim, are bound by the determination of the Panel on all issues submitted.

By letter dated August 11, 2005, the Claimant advised NASD Dispute Resolution that the claim against Hamleben was dismissed with prejudice.

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

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 Statement of Claim is dismissed in its entirety with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Thomas N. Hemleben'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, Thomas N. Hemleben must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEEES

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 = \$ 225.00

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. In this matter, the member firm Citigroup Global Markets, Inc., is a party.

Member Surcharge	= \$	1,100.00
Pre-Hearing Process Fee	= \$	750.00
Hearing Process Fee	= \$	1,700.00

Adjournment Fees

The following adjournment fees are assessed:

July 19 and 20, 2004 adjournment requested by Respondents	= \$	750.00
Claimant's share	= \$	375.00
Citigroup's share	= \$	375.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with a single arbitrator @ \$450.00 per session = \$450.00	
Pre-hearing conference: July 29, 2005 1 session	
Total Forum Fees	= \$450.00

1. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Claimant has been assessed \$150.00 of the forum fees.
2. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Citigroup has been assessed \$150.00 of the forum fees.
3. In accordance with Rule 10306 of the NASD Code of Arbitration Procedure, Grubman has been assessed \$150.00 of the forum fees.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$	225.00
Adjournment Fee	= \$	375.00
Forum Fees	= \$	150.00
Total Fees	= \$	750.00
Less payments	= \$	975.00
Refund Due Claimant	= \$	225.00

2. Citigroup is solely liable for:

Member Fees	= \$	3,550.00
Adjournment Fee	= \$	375.00
<u>Forum Fees</u>	= \$	<u>150.00</u>
Total Fees	= \$	4,075.00
<u>Less payments</u>	= \$	<u>3,550.00</u>
Balance Due NASD Dispute Resolution	= \$	525.00

3. Grubman is solely liable for:

<u>Forum Fees</u>	= \$	<u>150.00</u>
Total Fees	= \$	150.00
<u>Less payments</u>	= \$	<u>0.00</u>
Balance Due NASD Dispute Resolution	= \$	150.00

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

ARBITRATION PANEL

Thomas J. Bonasera, Esq.	-	Public Arbitrator, Presiding Chair
Franklin Arthur Martens, Esq.	-	Public Arbitrator
John B. Glueckert	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas J. Bonasera, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Franklin Arthur Martens, Esq.
Public Arbitrator

Signature Date

John B. Glueckert
Non-Public Arbitrator


Signature Date

Date of Service (For NASD office use only)

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3/2/06

Signature Date

Franklin Arthur Martens, Esq.
Public Arbitrator

Signature Date

John B. Glueckert
Non-Public Arbitrator

Signature Date

March 15, 2006

Date of Service (For NASD office use only)

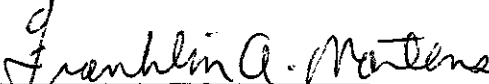
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