

**Award**  
**NASD Dispute Resolution**

---

In the Matter of the Arbitration Between:

Howard Bellrose (Claimant) v. Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. and Dale Kramer (Respondents)

Case Number: 03-00256

Hearing Site: Albany, New York

---

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

**REPRESENTATION OF PARTIES**

Claimant Howard Bellrose ("Bellrose") hereinafter referred to as "Claimant": Michael H. Ference, Esq., Sichenzia Ross Friedman Ference, LLP, New York, NY.

Respondents Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("SSB") and Dale Kramer ("Kramer") hereinafter collectively referred to as "Respondents": Joseph A. Sack, Esq., Citigroup Global Markets, Inc., New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: January 8, 2003.

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

Joint Statement of Answer filed by Respondents on or about: March 28, 2003.

SSB signed the Uniform Submission Agreement: May 13, 2003.

Kramer did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: common law fraud and failure to sell; failure to supervise; and respondeat superior. Claimant's claim involved the Putnam OTC Fund.

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 an amount to be determined at the hearing but not less than \$100,000.00, together with interest thereon from July 2000; reasonable attorneys' fees; costs, including all filing and hearing fees as well as expert witness costs;

punitive damages in an amount to be determined by the Panel; and such other and further relief as the Panel deems just and equitable.

Respondents requested that the claim be denied and dismissed with prejudice; and that the costs associated with the arbitration proceeding be assessed against the Claimant.

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

Kramer did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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**

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

1. Claimant's claims are denied in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Dale Kramer'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 Dale Kramer 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.

### **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 = \$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 person at the time of the events giving rise to the dispute. Accordingly, Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

**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:

Two (2) Pre-hearing sessions with Panel @ \$750.00	= \$1,500.00
Pre-hearing conferences: August 8, 2003 1 session	
December 29, 2003 1 session	
Four (4) Hearing sessions @ \$750.00	= \$3,000.00
Hearing Dates: January 13, 2004 2 sessions	
January 14, 2004 2 sessions	
Total Forum Fees	= \$4,500.00

1. The Panel has assessed \$2,250.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,250.00 of the forum fees against Respondent SSB.

**Fee Summary**

1. Claimant is solely liable for:	
Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 2,250.00
Total Fees	= \$ 2,475.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,050.00
2. SSB is solely liable for:	
Member Fees	= \$ 3,550.00
Forum Fees	= \$ 2,250.00
Total Fees	= \$ 5,800.00
Less payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 2,250.00

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

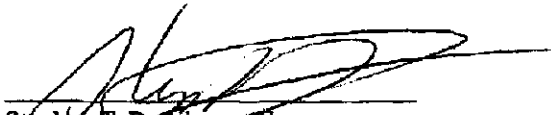
NASD Dispute Resolution  
Arbitration No. 03-00256  
Award Page 4 of 4

**ARBITRATION PANEL**

Stephen T. Rodriguez, Esq. - Public Arbitrator, Presiding Chair  
Richard N. Goldstein, Esq. - Public Arbitrator  
Jacqueline W. Marshall - Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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.

  
Stephen T. Rodriguez, Esq.  
Public Arbitrator, Presiding Chairperson

2-11-04  
Signature Date

\_\_\_\_\_  
Richard N. Goldstein, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Jacqueline W. Marshall  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

February 11, 2004  
Date of Service (For NASD Dispute Resolution use only)

NASD Dispute Resolution  
Arbitration No. 03-60256  
Award Page 4 of 4

**ARBITRATION PANEL**

Stephen T. Rodriguez, Esq. - Public Arbitrator, Presiding Chair  
Richard N. Goldstein, Esq. - Public Arbitrator  
Jacqueline W. Marshall - Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

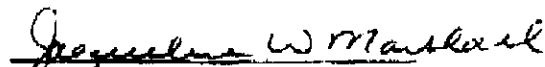
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

\_\_\_\_\_  
Stephen T. Rodriguez, Esq.  
Public Arbitrator, Presiding Chairperson

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Richard N. Goldstein, Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

  
\_\_\_\_\_  
Jacqueline W. Marshall  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

February 11, 2004

\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution use only)