

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

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In the Matter of the Arbitration Between:

Andrew Andrews (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.  
and Thomas Cox (Respondents)

Case Number: 03-00415

Hearing Site: New York, New York

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

**REPRESENTATION OF PARTIES**

Claimant Andrew Andrews ("Andrews") hereinafter referred to as "Claimant": Kevin P. Conway, Esq., Conway & Conway, New York, NY.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Thomas Cox ("Cox") hereinafter collectively referred to as "Respondents": Hugo A. Hilgendorff, IV, Esq., Bressler, Amery & Ross, P.C., New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: January 17, 2003.

Claimant signed the Uniform Submission Agreement: January 17, 2003.

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

Respondent Citigroup signed the Uniform Submission Agreement: January 29, 2004.

Respondent Cox signed the Uniform Submission Agreement: May 26, 2004.

**CASE SUMMARY**

Claimant asserted the following causes of action: fraud, conversion; breach of contract; breach of fiduciary duty; negligence; failure to supervise; unsuitability; and intentional infliction of emotional distress. The causes of action relate to shares of AT&T stock as well as other unspecified securities.

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

**RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$1,000,000.00; damages for intentional infliction of emotional distress; pre- and post-judgment interest; costs, including the

costs of expert witnesses; reasonable attorneys' fees; punitive damages; and such other relief as the Arbitrators deem appropriate under the circumstances.

Respondents requested that Claimant's Statement of Claim be dismissed, an order expunging or striking this claim from the permanent registration records of the individual Respondent, and that the Arbitrators award Respondents such other and further relief as they deem just and proper.

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

On or about November 12, 2004, NASD Dispute Resolution was notified that the parties entered into a confidential settlement agreement and Respondents are dismissed with prejudice.

The parties 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. Respondents are dismissed with prejudice. Claimant and Respondent Citigroup have entered into a confidential settlement agreement which shall be complied with by the parties.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Thomas Cox'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 Cox must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. Each party shall bear its own costs and expenses associated with the above-referenced arbitration.
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 = \$375.00

### **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. In this matter, Citigroup Global Markets, Inc. is a party.

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$4,000.00
<b>Total Member Fees</b>	<b>= \$7,000.00</b>

### **Adjournment Fees**

The following adjournment fees are assessed:

March 19, 2004, adjournment requested by Respondents	= \$1,200.00
September 27, 2004, joint adjournment request	= \$1,200.00
Claimant's share	= \$600.00
Respondents' share	= \$600.00

### **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 the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: October 20, 2003 1 session	
<b>Total Forum Fees</b>	<b>= \$1,200.00</b>

1. The Panel has assessed \$600.00 of the forum fees against Claimant.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally against Respondents.

### **Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 600.00
<b>Total Fees</b>	<b>= \$1,575.00</b>
<b>Less payments</b>	<b>= \$1,575.00</b>
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

2. Respondent Citigroup is solely liable for:

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

3. Respondents are jointly and severally liable for:

Adjournment Fee	= \$1,800.00
<u>Forum Fees</u>	= \$ 600.00
<u>Total Fees</u>	= \$2,400.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,400.00

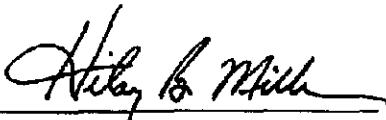
All balances are due and payable to NASD Dispute Resolution

**ARBITRATION PANEL**

Hilary B. Miller, Esq.	-	Public Arbitrator, Presiding Chair
Eugene D. McGahren, Jr., Esq.	-	Public Arbitrator
Edith M. Gunn	-	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 is which is my award.



Hilary B. Miller, Esq.  
Public Arbitrator, Presiding Chair

1/6/05  
Signature Date

Eugene D. McGahren, Jr., Esq.  
Public Arbitrator

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Signature Date

Edith M. Gunn  
Non-Public Arbitrator

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Signature Date

January 12, 2005  
Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Hilary B. Miller, Esq.	-	Public Arbitrator, Presiding Chair
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Public Arbitrator, Presiding Chair

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Eugene D. McGahren, Jr., Esq.  
Public Arbitrator

  
Signature Date

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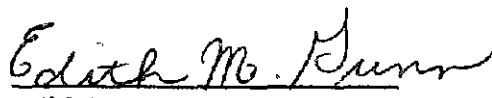
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