

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Susan Howe (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Joseph Heyer (Respondents)

Case Number: 03-00473

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Susan Howe ("Howe") hereinafter referred to as "Claimant": Michael Kalmus, Esq., New York, NY.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("SSB") and Joseph Heyer ("Heyer") hereinafter collectively referred to as "Respondents": Erika Schneider Downes, Esq., Bressler, Amery & Ross, P.C., New York, NY. Previously represented by: Ellen Slipp, Esq., Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: January 20, 2003.

Claimant signed the Uniform Submission Agreement on or about: January 20, 2003.

Joint Statement of Answer filed by Respondent on or about: March 26, 2003

Respondent SSB did not sign the Uniform Submission Agreement.

Respondent Heyer did not sign the Uniform Submission Agreement.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: unauthorized trading; fraud; negligence; breach of fiduciary duty; violation of NASD Rules 2110 and 3010; breach of contract; violation of Section 20(A) of Securities Exchange Act; respondent superior; violations of New Jersey Securities Act; and unfair trade and consumer protection act. Claimant's claim did not identify a specific security.

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 \$250,000.00; an amount to be determined representing economic damages for the conduct set forth in the Statement of Claim under the New Jersey Unfair Trade and Consumer Protection Act; costs and reasonable attorneys' fees; disgorgement of commissions; punitive damages; and such other and further relief as may be deemed just, proper, and equitable under the facts and circumstances presented.

Respondents requested dismissal of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Joseph Heyer did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements 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.

Claimant and Respondents entered into a Confidential Settlement Agreement. In connection with that agreement, Claimant dismissed all claims with prejudice against Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Joseph Heyer with prejudice on November 25, 2003. Therefore, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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) Claimant's claims are hereby denied and dismissed with prejudice;
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Joseph Heyer'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 Joseph Heyer must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

- 3) Each party shall bear its own costs and expenses associated with the above-referenced arbitration including attorneys' fees, except as fees are specifically addressed below; and
- 4) Any and all relief not specifically addressed herein 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	= \$300.00
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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 person at the time of the events giving rise to the dispute. In this matter, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is a party.

Member Surcharge	= \$1,700.00
<u>Pre-Hearing Process Fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$2,450.00

Fee Summary

1. Claimant Susan Howe is solely liable for:

<u>Initial Filing Fee</u>	<u>= \$ 300.00</u>
Total Fees	= \$ 300.00
<u>Less payments</u>	<u>= \$1,425.00</u>
Refund Due Claimant	= \$1,125.00

2. Respondent SSB is solely liable for:

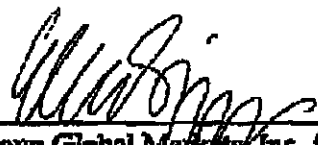
<u>Member Fees</u>	<u>= \$2,450.00</u>
Total Fees	= \$2,450.00
<u>Less payments</u>	<u>= \$2,450.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are due and payable to NASD Dispute Resolution

NASD Dispute Resolution
Arbitration No. 03-00473
Award Page 4 of 5

Parties' Signatures

Susan Howe
Claimant



Citigroup Global Markets, Inc. f/k/a
Salomon Smith Barney, Inc.
Respondent

Signature Date

5/5/04

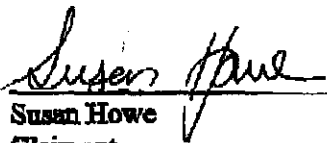
Signature Date

Joseph Hoyer
Respondent

Signature Date

NASD Dispute Resolution
Arbitration No. 03-00473
Award Page 4 of 5

Parties' Signatures



Susan Howe
Claimant

4/26/04

Signature Date

Citigroup Global Markets, Inc. f/k/a
Salomon Smith Barney, Inc.
Respondent

Signature Date

Joseph Heyer
Respondent

Signature Date

NASD Dispute Resolution
Arbitration No. 03-00473
Award Page 4 of 5

Parties' Signatures

Susan Howe
Claimant

Signature Date

Citigroup Global Markets, Inc. f/k/a
Salomon Smith Barney, Inc.
Respondent

Signature Date



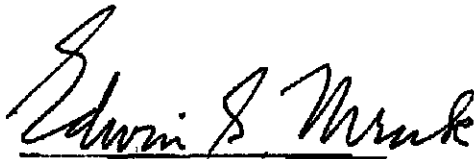
Joseph Hoyer
Respondent

4-14-04
Signature Date

ARBITRATION PANEL

Edwin S. Mruk	-	Public Arbitrator, Presiding Chair
Eugene F. Farabaugh, Esq.	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Edwin S. Mruk
Public Arbitrator, Presiding Chair

May 14, 2004
Signature Date

Eugene F. Farabaugh, Esq.
Public Arbitrator

Signature Date

Clifford A. Harwick
Non-Public Arbitrator

Signature Date

May 25, 2004

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-00473
Award Page 5 of 5

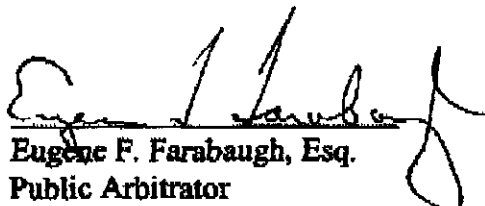
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Edwin S. Mruk	-	Public Arbitrator, Presiding Chair
Eugene F. Farabaugh, Esq.	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Edwin S. Mruk
Public Arbitrator, Presiding Chair

Signature Date



Eugene F. Farabaugh, Esq.
Public Arbitrator

May 12, 2004

Signature Date

Clifford A. Harwick
Non-Public Arbitrator

Signature Date

May 25, 2004

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NASD Dispute Resolution
Arbitration No. 03-00473
Award Page 5 of 5

ARBITRATION PANEL

Edwin S. Mruk	-	Public Arbitrator, Presiding Chair
Eugene F. Farabaugh, Esq.	-	Public Arbitrator
Clifford A. Harwick	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Edwin S. Mruk
Public Arbitrator, Presiding Chair

Signature Date

Eugene F. Farabaugh, Esq.
Public Arbitrator

Signature Date



Clifford A. Harwick
Non-Public Arbitrator

Signature Date

May 25, 2004
Date of Service (For NASD office use only)