

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Citigroup Global Markets, Inc.
f/k/a Salomon Smith Barney, Inc.

Case Number: 03-00486

Name of the Respondents
Janney Montgomery Scott LLC
Jan Peter Cummins
Peter Rowan Cummins

Hearing Site: Philadelphia, PA

Nature of the Dispute: Member vs. Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimant, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., hereinafter referred to as "Claimant", was represented by Joseph E. Gehring, Esq., Kasowitz, Benson, Torres & Friedman LLP, New York, New York.

Respondents, Janney Montgomery Scott ("Janney"), Jan Peter Cummins ("J. Cummins"), and Peter Rowan Cummins ("P. Cummins"), hereinafter collectively referred to as "Respondents", were represented by Michael R. Greco, Esq., Saul Ewing, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on January 21, 2003.

Amended Statement of Claim filed on February 27, 2003.

A representative of Claimant signed the Uniform Submission Agreement on January 17, 2003.

Claimant filed a Reply to Counterclaims on April 29, 2003.

Statement of Answer and Counterclaim filed by Respondents on April 18, 2003.

None of the Respondents filed executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action, among others: breach of fiduciary duty, misappropriation, tortious interference with business relationships, unlawful and unfair means of competition, negligent supervision, and conversion of property. The causes of action relate to an employment dispute that arose when Respondent J. Cummins stopped working for Claimant and began working for Respondent Janney.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim.

Respondent J. Cummins asserted the following causes of action in his counterclaim: appropriation of name or likeness and unfair competition. The causes of action relate to an employment dispute that arose when Respondent J. Cummins stopped working for Claimant and began working for Respondent Janney.

Unless specifically admitted in its Reply to Counterclaims, Claimant denied the allegations made in the Counterclaim.

RELIEF REQUESTED

Claimant in its Statement of Claim requested:

Compensatory Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified
Injunctive relief	

Respondent J. Cummins, in his Counterclaim, requested unspecified nominal damages.

Claimant, in its Reply to Counterclaims, requested that the Counterclaims be dismissed in their entirety and that Claimant be awarded all costs incurred in connection with the Counterclaims, in addition to any other and further relief as the Arbitration Panel (the "Panel") may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 23, 2003, Claimant withdrew its application for a Temporary Restraining Order.

Respondent Janney, J. Cummins and R. Cummins did not file with NASD Dispute Resolution, a properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, are 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, the testimony and evidence presented at the hearing, and the post-hearing submissions, 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. Respondent J. Cummins' claims are denied in their entirety;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$ 500.00
Counter claim	= \$ 250.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Claimant Citigroup and Respondent Janney are parties.

Member Fees for Claimant:

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,200.00
Total Member Fees	= \$ 4,450.00

Member Fees for Respondent Janney:

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,200.00
Total Member Fees	= \$ 4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

February 4 - 6, 2004, adjournment by Claimant	= \$ 1,000.00
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Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

Member firm Citigroup is assessed:

Injunctive relief surcharge = \$ 2,500.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$ 450 = \$ 450.00

Pre-hearing conference: April 26, 2004 1 session

One (1) Pre-hearing session with Panel @ \$ 1,000 = \$ 1,000.00

Pre-hearing conference: September 8, 2003 1 session

Four (4) Hearing sessions @ \$ 1,000.00 = \$ 4,000.00

Hearing Dates: April 28, 2004 2 sessions

April 29, 2004 2 sessions

Total Forum Fees = \$ 5,450.00

1. The Panel has assessed \$ 2,725.00 of the forum fees to Claimant.

2. The Panel has assessed \$ 2,725.00 of the forum fees jointly and severally to Respondents.

SEE SUMMARY

1. Claimant, Citigroup, is assessed and shall pay the following fees:

Initial Filing Fee = \$ 500.00

Member Fees = \$ 4,450.00

Injunctive Relief Fees = \$ 2,500.00

Adjournment Fee = \$ 1,000.00

Forum Fees = \$ 2,725.00

Total Fees = \$ 11,175.00

Less payments = \$ 8,450.00

Balance Due NASD Dispute Resolution = \$ 2,725.00

2. Respondent, Janney, is assessed and shall pay the following fees:

Member Fees = \$ 4,450.00

Total Fees = \$ 4,450.00

Less payments = \$ 4,450.00

Balance Due NASD Dispute Resolution = \$ 00.00

3. Respondent, J. Cummins, is assessed and shall pay the following fees:

<u>Counterclaim Filing Fee</u>	= \$ 250.00
Total Fees	= \$ 250.00
<u>Less payments</u>	= \$ 250.00
Balance Due NASD Dispute Resolution	= \$ 00.00

4. Respondents Janney, J. Cummins, and P. Cummins are jointly and severally assessed and shall pay the following fees:

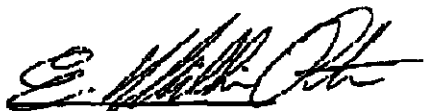
<u>Forum Fees</u>	= \$ 2,725.00
Total Fees	= \$ 2,725.00
<u>Less payments</u>	= \$ 1,000.00
Balance Due NASD Dispute Resolution	= \$ 1,725.00

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

ARBITRATION PANEL

E. William Pastor, Esq.	-	Public Arbitrator, Presiding Chairperson
Joseph Straus, Jr.	-	Public Arbitrator, Panelist
Michael T. Baranowsky	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


1. William Pustor, Esq.
Public Arbitrator, Presiding Chairperson

May 18, 2004
Signature Date

Joseph Strana, Jr.
Public Arbitrator, Panelist

Signature Date

Michael T. Baranowsky
Non-Public Arbitrator, Panelist

Signature Date

May 21, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concerning Arbitrators' Signatures

E. William Pastor, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Joseph Straus, Jr.
Joseph Straus, Jr.
Public Arbitrator, Panelist

5/21/04
Signature Date

Michael T. Baranowsky
Non-Public Arbitrator, Panelist

Signature Date

May 21, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

H. William Pastor, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Joseph Straus, Jr.
Public Arbitrator, Panelist

Signature Date

Michael T. Baranowsky
Michael T. Baranowsky
Non-Public Arbitrator, Panelist

5/18/04
Signature Date

May 21, 2004
Date of Service (For NASD Dispute Resolution office use only)