

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Anne H. Van Buren, The Van Buren Irrevocable Life Insurance Trust dated 10/17/97, Nathan Dane III, Successor Trustee, The Anne Hagopian Van Buren Irrevocable Life Insurance Trust dated 1/19/99, Philip R. Van Buren and Thomas P. Van Buren, Successor Trustees, and The Anne H. Van Buren Irrevocable Trust dated 2/9/99 (Claimants) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., Edward A. (Ned) Dubilo, Frank E. Hill, and Robert F. Haag (Respondents)

Case Number: 03-01097

Hearing Site: Boston, Massachusetts

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

REPRESENTATION OF PARTIES

Claimant Anne H. Van Buren ("Van Buren"), The Van Buren Irrevocable Life Insurance Trust dated 10/17/97, Nathan Dane III, Successor Trustee ("Van Buren Trust dated 10/17/97"), The Anne Hagopian Van Buren Irrevocable Life Insurance Trust dated 1/19/99, Philip R. Van Buren and Thomas P. Van Buren, Successor Trustees ("Hagopian Irrevocable Trust dated 1/19/99:"), and The Anne H. Van Buren Irrevocable Trust dated 2/9/99 ("Van Buren Trust dated 2/9/99") hereinafter collectively referred to as "Claimants": Warren M. Silver, Esq., The Silver Law Firm, Bangor, ME.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup"), Edward A. (Ned) Dubilo ("Dubilo"), Frank E. Hill ("Hill"), and Robert F. Haag ("Haag") hereinafter collectively referred to as "Respondents": Robert A. Buhlman, Esq., Bingham McCutchen, LLP, Boston, MA.

CASE INFORMATION

Statement of Claim filed on or about: February 13, 2003.

Claimants' Opposition to Respondents' Motion to Dismiss filed on or about: September 9, 2003.

Claimant Van Buren signed the Uniform Submission Agreement: January 14, 2003.

Claimant Van Buren Trust dated 10/17/97, Nathan Dane III Successor Trustee, signed the Uniform Submission Agreement: January 30, 2003.

Claimant Hagopian Irrevocable Trust dated 1/19/99 and Van Buren Trust dated 2/9/99, Philip R. Van Buren Successor Trustee, signed the Uniform Submission Agreement: January 23, 2003.

Claimant Hagopian Irrevocable Trust dated 1/19/99 and Van Buren Trust dated 2/9/99, Thomas P. Van Buren Successor Trustee, signed the Uniform Submission Agreement: January 14, 2003.

Joint Statement of Answer and Motion to Dismiss filed by Respondents on or about: July 21,

2003.

Respondent Citigroup did not sign the Uniform Submission Agreement.

Respondent Dubilo did not sign the Uniform Submission Agreement.

Respondent Hill did not sign the Uniform Submission Agreement.

Respondent Haag did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; negligence; negligent misrepresentation; respondeat superior; and negligent supervision. The causes of action relate to unspecified securities.

Unless specifically admitted in their Answer and Motion to Dismiss, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$937,161.00; punitive damages in the amount of \$1,000,000.00; interest; and costs, including reasonable attorneys' fees.

Respondents requested that the Panel dismiss the Statement of Claim in its entirety; such other, further, and different relief as the Panel deemed appropriate; Respondents Dubilo, Hill, and Haag requested that the Panel order all references to this matter be stricken from their permanent records maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

Respondents 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, and 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, 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. Respondents are jointly and severally liable for and shall pay to Claimants compensatory damages in the amount of \$797,226.59.
2. 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 = \$500.00

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. Accordingly, Citigroup Global Markets, Inc. is a party.

Member surcharge = \$2,800.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$5,000.00

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:

One (1) Pre-hearing session with Panel @ \$1,200.00 = \$ 1,200.00

Pre-hearing conference: December 18, 2003 1 session

Fourteen (14) Hearing sessions @ \$1,200.00 = \$16,800.00

Hearing Dates: October 12, 2004 2 sessions
 October 13, 2004 2 sessions
 October 14, 2004 2 sessions
 October 15, 2004 2 sessions
 October 18, 2004 2 sessions
 October 19, 2004 2 sessions
 October 20, 2004 2 sessions

Total Forum Fees = \$18,000.00

1. The Panel has assessed \$9,000.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$9,000.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee = \$ 500.00

Forum Fees = \$ 9,000.00

Total Fees = \$ 9,500.00

Less payments = \$ 1,700.00

Balance Due NASD Dispute Resolution = \$ 7,800.00

2. Respondent Citigroup is solely liable for:

Member Fees = \$ 8,550.00

Total Fees = \$ 8,550.00

Less payments = \$ 8,550.00

Balance Due NASD Dispute Resolution = \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 9,000.00</u>
<u>Total Fees</u>	<u>= \$ 9,000.00</u>
<u>Less payments</u>	<u>= \$ 5,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,000.00

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

ARBITRATION PANEL

William L. Carmen, CPA	-	Public Arbitrator, Presiding Chairperson
Lisette C. Smith	-	Public Arbitrator
Robert W. Crook	-	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.



William L. Carmen, CPA
Public Arbitrator, Presiding Chairperson

05/9/2004

Signature Date

Lisette C. Smith
Public Arbitrator

Signature Date

Robert W. Crook
Non-Public Arbitrator

Signature Date

November 11, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL


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Lisette C. Smith	-	Public Arbitrator
Robert W. Crook	-	Non-Public Arbitrator

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William I. Carmen, CPA
Public Arbitrator, Presiding Chairperson

Signature Date



Lisette C. Smith
Public Arbitrator

11/9/04

Signature Date

Robert W. Crook
Non-Public Arbitrator

Signature Date

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

ARBITRATION PANEL

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Concurring Arbitrators' Signatures

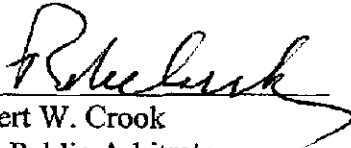
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William I. Carmen, CPA
Public Arbitrator, Presiding Chairperson

Signature Date

Lisette C. Smith
Public Arbitrator

Signature Date



Robert W. Crook
Non-Public Arbitrator

Nov 9, 2004

Signature Date

November 11, 2004

Date of Service (For NASD Dispute Resolution use only)