

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant/Counter-Respondent

Joy Northam

v.

Case Number: 03-01110
Hearing Site: Troy, Michigan

Respondent/Counter-Claimant

ABN AMRO Financial Services

and

Third-Party Claimant

ABN AMRO Financial Services

v.

Third-Party Respondent

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

NATURE OF DISPUTE

Customer v. Member, Member v. Customer, and Member v. Member

REPRESENTATION OF PARTIES

Joy Northam ("Claimant") was represented by Mary E. Delehanty, Esq., Delehanty & Fall, PLC, Kalamazoo, Michigan.

ABN AMRO Financial Services ("ABN AMRO") was represented by Stephen P. Bedell, Esq., and Ellen Wheeler, Esq., Foley & Lardner LLP, Chicago, Illinois.

Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") was represented by Jerry M. Santangelo, Esq., and Winnie Kuo, Esq., Neal Gerber & Eisenberg, Chicago, Illinois.

CASE INFORMATION

The Statement of Claim/Addendum to Claim Information Form was filed on or about February 14, 2003. The Submission Agreement of Joy Northam was signed on or about February 3, 2003.

Statement of Answer, Counterclaim, and Third-Party Claim was filed by ABN AMRO Financial Services on or about June 25, 2003. The Submission Agreement of ABN AMRO Financial Services was signed on or about May 9, 2003 by Joy Pava Shulfuff.

Statement of Answer and Motion to Dismiss Third-Party Claim was filed by Citigroup Global Markets, Inc., on or about June 26, 2003.

Claimant filed an Answer to Counter-Claimant's Counterclaim on or about June 6, 2003.

Claimant filed a Motion to Dismiss (Counterclaim) on or about July 21, 2003.

ABN AMRO filed a Response to Claimant's and Citigroup's Motions to Dismiss on or about August 28, 2003.

ABN AMRO filed a Motion to Amend Counterclaim and an Amended Counterclaim on or about October 3, 2003. Claimant filed an Answer to Amended Counterclaim on or about October 17, 2003.

ABN AMRO filed a Motion to Dismiss (Count II) on or about September 24, 2003. Claimant filed a Response to ABN AMRO's Motion to Dismiss on or about October 15, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract and gender discrimination. The causes of action related to Claimant's allegation that ABN AMRO terminated Claimant when she declined to sign a restrictive covenant agreement and that ABN AMRO failed to compensate her for a bonus to which she was entitled. Claimant further asserted that she was treated differently by her employer due to her gender.

Unless specifically admitted in its Answer, ABN AMRO denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant has failed to state a claim for which relief may be granted under Count I; Claimant has failed to State a Claim for gender discrimination under Michigan or federal law as alleged in Count II; Claimant's breach of contract claim is barred due to the failure of a condition precedent; and Claimant's breach of contract claim is barred under the doctrine of waiver.

ABN AMRO asserted a counterclaim against Claimant for breach of financial consultant agreement; breach of registered representative agreement; breach of agent appointment contract; violation of Michigan Uniform Trade Secrets Act; tortious interference with business relations and valid economic expectancy; conversion; and unjust enrichment.

ABN AMRO asserted third-party claims for breach of settlement agreement and release; tortious interference with contractual relations; tortious interference with business relations and valid economic expectancy; violation of Michigan Uniform Trade Secrets Act; conversion; unjust enrichment; unfair competition; and conspiracy.

Unless specifically admitted in its Answer, Citigroup denied the allegations made in the Third Party Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested an award in the amount of \$81,799.60 in damages, plus punitive damages of \$80,000.00, interest, costs, attorneys' fees, and other relief as deemed appropriate by the panel.

ABN AMRO requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees. ABN AMRO requested damages in excess of \$100,000.00, costs, attorneys' fees and such other relief as the panel deems just and proper in its counterclaim. ABN AMRO requested damages in excess of \$100,000.00, costs, attorneys' fees and such other relief as the panel deems just and proper in its third-party claims.

Citigroup requested that the claims asserted against it be denied in their entirety and that it be awarded its costs, attorneys' fees, and any other relief the panel deems proper.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Citigroup Global Markets, Inc., did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

The panel granted Respondent ABN AMRO's Motion to Amend Counterclaim.

In its Order entered on or about November 14, 2003, the panel granted Claimant's Motion to Dismiss ABN AMRO's Counterclaim with respect to Count I only. The panel granted ABN AMRO's Motion to Dismiss Count II of Claimant's Statement of Claim for gender discrimination, but only limited to the federal law claims (42 USC 2000c (Title VII)).

In its Order entered on or about March 1, 2004, the panel denied Citigroup's Motion to Dismiss ABN AMRO's Third Party Claim.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

- 1.) Joy Northam's claims, each and all, are denied and dismissed with prejudice;
- 2.) The Counterclaim of Respondent ABN AMRO Financial Services is denied and dismissed with prejudice;
- 3.) The Third-Party Claim of Respondent ABN AMRO Financial Services is denied and dismissed with prejudice;
- 4.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 5.) That any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

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
Counterclaim/Third-Party Claim filing fee	= \$ 1,000.00

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 at the time of the events giving rise

to the dispute. In this matter, the member firms are ABN AMRO Financial Services and Citigroup Global Markets, Inc.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Adjournment Fees

Adjournments requested during these proceedings:

June 8-10, 2004, adjournment by ABN AMRO	= \$ 1,125.00
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Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

Four (4) Pre-hearing sessions with a single arbitrator x \$450.00	= \$ 1,800.00
Pre-hearing conferences:	
April 5, 2004	1 session
May 10, 2004	1 session
June 10, 2004	1 session
July 12, 2004	1 session
Three (3) Pre-hearing sessions with Panel x \$1,125.00	= \$ 3,375.00
Pre-hearing conferences:	
October 10, 2003	1 session
November 10, 2003	1 session
June 8, 2004	1 session
Seven (7) Hearing sessions x \$1,125.00	= \$ 7,875.00
Hearing Dates:	
January 10, 2005	2 sessions
January 11, 2005	2 sessions
January 12, 2005	2 sessions
January 13, 2005	1 session
Total Forum Fees	= \$13,050.00

The Arbitration Panel has assessed \$4,350.00 of the forum fees to Joy Northam.

The Arbitration Panel has assessed \$4,350.00 of the forum fees to ABN AMRO Financial Services.

The Arbitration Panel has assessed \$4,350.00 of the forum fees to Citigroup Global Markets, Inc.

Fee Summary

Claimant, Joy Northam, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 4,350.00
Total Fees	= \$ 4,650.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 3,225.00

Respondent, ABN AMRO Financial Services, is liable for:

Counterclaim/Third-Party Claim Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Adjournment Fee	= \$ 1,125.00
Forum Fees	= \$ 4,350.00
Total Fees	= \$11,675.00
Less payments	= \$ 7,325.00
Balance Due NASD Dispute Resolution	= \$ 4,350.00

Respondent, Citigroup Global Markets, Inc., is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,350.00
Total Fees	= \$ 9,550.00
Less payments	= \$ 3,500.00
Balance Due NASD Dispute Resolution	= \$ 6,050.00

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

ARBITRATION PANEL

Marvin I. Horowitz, Esq. - Public Arbitrator, Presiding Chair
Ina N. Otto, Esq. - Public Arbitrator
Jerome D. Sobczak - Public Arbitrator

Concurring Arbitrators:

/s/ Marvin I. Horowitz, Esq.
Marvin I. Horowitz, Esq.
Public Arbitrator, Presiding Chair

01/14/05
Signature Date

/s/ Ina N. Otto, Esq.
Ina N. Otto, Esq.
Public Arbitrator

01/14/05
Signature Date

/s/ Jerome D. Sobczak
Jerome D. Sobczak
Non-Public Arbitrator

01/13/05
Signature Date

01/14/05
Date of Service (For NASD office use only)

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Public Arbitrator, Presiding Chair

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Public Arbitrator

Signature Date

Jerome D. Sobczak
Jerome D. Sobczak
Non-Public Arbitrator

1-13-05
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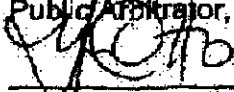
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