

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Steve Horman, Claimant v. Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. and
Linda P. Elliott, Respondents

Case Number: 03-01230

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Deborah A. Klar, Esq.
Liner Yankelevitz,
Sunshine & Regenstein LLP
Los Angeles, California

For Respondents:

Stacey M. Garrett, Esq.
Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed: February 19, 2003

Claimant's Uniform Submission Agreement signed: March 7, 2003

Joint Statement of Answer filed by Respondents: May 5, 2003

Respondent Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc.'s Uniform
Submission Agreement signed: May 14, 2003

Respondent Linda P. Elliot's Uniform Submission Agreement signed: May 7, 2003

CASE SUMMARY

Claimant alleged breach of fiduciary duty, professional negligence, violation of California Business and Professions Code Section §17200, constructive fraud, and failure to supervise in connection with the purchase of WorldCom, Inc. bonds.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested actual damages in the amount of \$75,000.00, unspecified punitive damages, interest at a rate of 10% per annum, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On September 4, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On or about January 13, 2004, the parties entered into a settlement agreement pursuant to which Claimant agreed to dismiss his claims with prejudice. As part of the settlement, Claimant does not oppose a Stipulated Award being issued expunging the references to this proceeding from NASD Central Registration Depository records of Respondent Linda P. Elliot.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings, testimony, and the Parties' request for this stipulated award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a confidential settlement agreement.
2. Claimant's claims are dismissed in their entirety. This does not represent an adjudication on the merits, but rather, reflects the parties' agreement.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Linda P. Elliott'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 Linda P. Elliott must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. The parties shall bear their respective costs, including attorney's fees.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 225.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
Total Member Fees	= \$ 1,850.00

Forum Fees and Assessments

The Panel did not assess forum fees as the Claim was heard in private mediation.

Fee Summary

1. Claimant Steve Horman is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Less payments</u>	= \$ (975.00)
Refund due Claimant Steve Horman	= \$ (750.00)

2. Respondent Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. is charged with the following fees and costs:

Member Fees	= \$ 1,850.00
<u>Less payments</u>	= \$ (1,850.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

David J. Anderson	-	Public Arbitrator, Presiding Chair
Robert W. Vernon, CPA	-	Public Arbitrator
Peter D. Best	-	Non-Public Arbitrator



David J. Anderson
Chair, Public Arbitrator

11/8/2004

Signature Date

Robert W. Vernon, CPA
Public Arbitrator

Signature Date

Peter D. Best
Non-Public Arbitrator

Signature Date

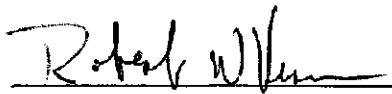
11/9/04
Date of Service

ARBITRATION PANEL

David J. Anderson	-	Public Arbitrator, Presiding Chair
Robert W. Vernon, CPA	-	Public Arbitrator
Peter D. Best	-	Non-Public Arbitrator

David J. Anderson
Chair, Public Arbitrator

Signature Date


Robert W. Vernon, CPA
Public Arbitrator

10/25/04
Signature Date

Peter D. Best
Non-Public Arbitrator

Signature Date

11/9/04
Date of Service

ARBITRATION PANEL

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Robert W. Vernon, CPA	-	Public Arbitrator
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Chair, Public Arbitrator

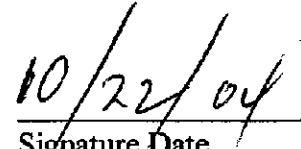
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Robert W. Vernon, CPA
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Signature Date

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