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**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant

Pedro Jimenez, Sr.

Case Number: 03-01301

Names of the Respondents

Citigroup Global Markets, Inc.

f/k/a Salomon Smith Barney, Inc.

William F. Dodge

Lisa Kaye

Howard Guggenheim

Paul J. Abrams

Hearing Site: Boca Raton, Florida

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

**REPRESENTATION OF PARTIES**

For Pedro Jimenez, Sr. ("Jimenez"), hereinafter referred to as "Claimant": Charles M. O'Rourke, Esq., Woodbury, New York.

For Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup"), William F. Dodge ("Dodge"), Lisa Kaye ("Kaye"), Howard Guggenheim ("Guggenheim"), and Paul J. Abrams ("Abrams"), hereinafter collectively referred to as "Respondents": Richard L. Martens, Esq. and Matthew N. Thibaut, Esq., Boose Casey Ciklin, Lubitz, Martens McBane & O'Connell, West Palm Beach, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: February 24, 2003.

Claimant signed the Uniform Submission Agreement: February 7, 2003.

Statement of Answer filed by Respondents on or about: May 20, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: April 2, 2003.

Respondent Dodge signed but did not date the Uniform Submission Agreement.

Respondent Kaye signed but did not date the Uniform Submission Agreement.

Respondent Guggenheim signed but did not date the Uniform Submission Agreement.

Respondent Abrams did not file an executed Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: unsuitability; gross negligence; violation of federal and state antifraud statutes; violation of Florida investor protection statutes; violation of NYSE Rules 405, 408 and 342; violation of NASD Rules 2110, 2120, 2310, and 3010; fraud and

deceit in violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated by the Securities and Exchange Commission; breach of contract; breach of fiduciary duty; misrepresentation; omission of facts; failure to supervise; and respondeat superior. The causes of action relate to the purchase and sale of unspecified mutual funds and variable annuities in Claimant's account.

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

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the sum of \$1,000,000.00; an award of costs, forum fees, attorneys' fees and expenses; interest as provided by statute and/or by equity; punitive damages and/or statutory treble damages; and, all other equitable relief that the Panel deemed just and proper.

Respondents requested dismissal of the Statement of Claim; that the Panel assess Respondents' attorneys' fees and costs against Claimant; and, that all references to this matter be expunged from the individual Respondents' NASD Central Registration Depository ("CRD") records.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about May 23, 2003, Claimant filed with NASD Dispute Resolution ("NASD") a Notice of Dismissal and Withdrawal of all claims against Respondent Kaye.

On or about October 1, 2004, the parties informed NASD that they had settled this matter.

This matter involved disputed claims and was settled by the parties prior to the submission of any evidence by any party, and prior to the final arbitration hearing. No evidence was ever submitted to this Panel by any party of any wrongdoing by the Respondents. Accordingly, all references to this arbitration proceeding shall be expunged from the NASD CRD records of Respondents Dodge, Guggenheim, Kaye and Abrams.

On or about November 24, 2004, a proposed Stipulated Award and a Stipulation to Dismiss and Expunge Respondents Dodge, Guggenheim, Kaye and Abrams' CRD records were filed with the NASD.

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

### **AWARD**

After considering the pleadings, the proposed Stipulated Award and the Stipulation to Dismiss and Expunge Respondents Dodge, Guggenheim, Kaye and Abrams' CRD records, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's withdrawal of his claims against Respondents with prejudice is accepted and Respondents are dismissed from this matter.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondents Dodge, Guggenheim, Kaye and Abrams' registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents Dodge, Guggenheim, Kaye and Abrams must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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
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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 persons at the time of the events giving rise to the dispute. Accordingly, Respondent Citigroup is a member firm and a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$5,000.00</u>
Total Member Fees	= \$8,550.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

#### **Three-Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

#### **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.

No injunctive relief fees were incurred in this matter.

#### **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 a single arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: June 17, 2004 1 session	
One (1) Pre-hearing session with the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: November 24, 2003 1 session	

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Total Forum Fees	= \$1,650.00
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The Panel has assessed the forum fees of \$825.00 to Claimant.  
The Panel has assessed the forum fees of \$825.00 to Respondents Citigroup, Dodge, Guggenheim and Abrams, jointly and severally.

### Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

### Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 825.00
<u>Retained Hearing Session Deposit pursuant to Rule 10332(f) of the Code</u>	<u>= \$ 375.00</u>
Total Fees	= \$1,700.00
<u>Less payments</u>	<u>= \$1,700.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	<u>= \$8,550.00</u>
Total Fees	= \$8,550.00
<u>Less payments</u>	<u>= \$8,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents Citigroup, Dodge, Guggenheim and Abrams, are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 825.00</u>
Total Fees	= \$ 825.00
<u>Less payments</u>	<u>= \$ 825.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

### ARBITRATION PANEL

Frances D. Sheehy, Esq.	-	Public Arbitrator, Presiding Chairperson
Judy Avery	-	Public/Non-Public Arbitrator
Berthold T. Berkwich	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/  
Frances D. Sheehy, Esq.  
Public Arbitrator, Presiding Chairperson

December 7, 2004  
Signature Date

/s/  
Judy Avery  
Public Arbitrator

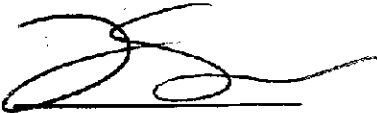
December 7, 2004  
Signature Date

/s/  
Berthold T. Berkwich  
Non-Public Arbitrator

December 7, 2004  
Signature Date

December 13, 2004  
Date of Service (For NASD Dispute Resolution use only)

Concurring Arbitrators' Signatures



Frances D. Sheehy, Esq.  
Public Arbitrator, Presiding Chairperson

11-7-04  
Signature Date

Judy Avery  
Public Arbitrator

Signature Date

Berthold T. Berkwich  
Non-Public Arbitrator

Signature Date

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Date of Service (For NASD Dispute Resolution use only)

Concurring Arbitrators' Signatures

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Frances D. Sheehy, Esq.  
Public Arbitrator, Presiding Chairperson

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Signature Date

  
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Judy Avery  
Public Arbitrator

12-7-04  
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Signature Date

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Non-Public Arbitrator

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Signature Date

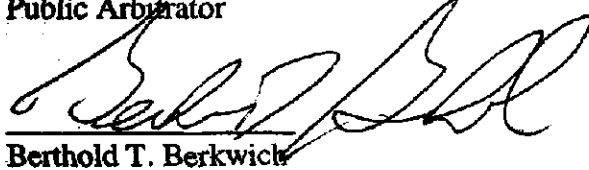
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Arbitration No. 03-01301  
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Judy Avery  
Public Arbitrator

  
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Berthold T. Berkwich  
Non-Public Arbitrator

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Date of Service (For NASD Dispute Resolution use only)

**RECEIVED**

DEC 10 2004

**FL ARBITRATION**

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Signature Date

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Signature Date

  
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Signature Date