

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Patricia Schiano IRA (Claimant) v. Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. and Ken Mathieson (Respondents)

Case Number: 03-01650

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Patricia Schiano IRA ("Schiano") hereinafter referred to as "Claimant": David E. Robbins, Esq., Kaufman, Feiner, Yamin, Gildin & Robbins, LLP, New York, NY.

Respondents Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("SSB") and Ken Mathieson ("Mathieson") hereinafter collectively referred to as "Respondents": Joseph A. Sack, Esq., Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: March 6, 2003.

Claimant signed the Uniform Submission Agreement: March 3, 2003.

Joint Statement of Answer filed by Respondents on or about: April 30, 2003.

SSB signed the Uniform Submission Agreement: May 8, 2003.

Mathieson did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability; breach of contract; breach of fiduciary duty; negligence; failure to supervise; control person liability under §20 of the Securities Exchange Act of 1934; and respondeat superior. Claimant's claims involved unspecified securities.

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 amount of \$108,583.00, plus pre-hearing and post-hearing simple interest on that amount; attorneys' fees pursuant to Section 349 of the General Business Law of New York; expert witness fees; and NASD

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filing and forum fees.

Respondents requested that the claim be denied, and dismissed with prejudice, with the costs associated with the arbitration proceeding assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Mathieson did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is 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. SSB is liable for and shall pay to the Claimant compensatory damages in the amount of \$72,388.67, plus interest at the rate of 6% per annum from April 27, 2002 through the date of payment of the award.
2. The claims of Claimant against Mathieson are hereby dismissed in their entirety.
2. Any and all relief not specifically addressed herein 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	= \$300.00
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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 person at the time of the events giving rise to the dispute. Accordingly, Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. is a party.

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

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: October 17, 2003 1 session	
One (1) Pre-hearing session with Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: August 22, 2003 1 session	
Four (4) Hearing sessions @ \$1,125.00	= \$4,500.00
Hearing Dates: December 22, 2003 2 sessions	
December 23, 2003 2 sessions	
Total Forum Fees	= \$6,075.00

1. The Panel has assessed \$6,075.00 of the forum fees against SSB.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$ 1,425.00
Refund Due	= \$ 1,125.00

2. SSB is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 6,075.00
Total Fees	= \$11,275.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 6,075.00

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

ARBITRATION PANEL

Ted M. Rosen, Esq.	-	Public Arbitrator, Presiding Chair
Donald Ferguson, Esq.	-	Public Arbitrator
Andrew D. Hudders, Esq.	-	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.



Ted M. Rosen, Esq.
Public Arbitrator, Presiding Chairperson

1/22/04
Signature Date

Donald Ferguson, Esq.
Public Arbitrator

Signature Date

Andrew D. Hudders, Esq.
Non-Public Arbitrator

Signature Date

January 23, 2004

Date of Service (For NASD Dispute Resolution use only)

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Signature Date

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