

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Names of Claimants

Alberto Robledo Serrano,  
Maria E. Villavicencio, Yolanda F.  
Robledo and Maria R. Robledo

NASD Case: 03-02351  
Hearing Site: Houston, Texas

and

Names of Respondents

Citigroup Global Markets, Inc. and  
Juan M. Garcia

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**NATURE OF CASE**

Customers v. Member Firm and Associated Person

**REPRESENTATION OF PARTIES**

Alberto Robledo Serrano, Maria E. Villavicencio, Yolanda F. Robledo and Maria R. Robledo ("Claimants") were represented by Michael J. Quilling, Esq., Steven J. Lownds, Esq., Peter A. Molr, Esq., and D. Dee Raibourn, III, Esq., Quilling, Selander, Cummiskey and Lownds, P.C., Dallas, Texas, and by John Griffin, Jr., Esq., The Law Offices of Houston, Marek & Griffin, L.L.P., Victoria, Texas.

Citigroup Global Markets Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Juan M. Garcia ("Garcia") were represented by Thomas D. Cordell, Esq., Haynes and Boone, LLP, Houston, Texas.

**CASE INFORMATION**

The Statement of Claim was filed on or about March 31, 2003. The Submission Agreement of Claimants was signed on or about March 31, 2003.

The Statement of Answer was filed jointly by Citigroup and Garcia on or about May 23, 2003. The Submission Agreement of Respondent Citigroup was signed on or about May 23, 2004.

**CASE SUMMARY**

Claimants asserted the following causes of action: violation of federal securities laws, violation of Florida securities laws, breach of contract, breach of fiduciary duty, statutory

and common law fraud, negligence, and negligent supervision. The causes of action were related to the recommendation and purchase of various unspecified securities in Claimants' Citigroup accounts.

Unless specifically admitted in their Answer, Respondents, Citigroup and Garcia, denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim upon which relief may be granted; that the investment at issue was consistent with Claimants' long term investment history in emerging market debt, Claimants' investment objectives and risk tolerance; the investment at issue was purchased at the express instruction and direction of Claimants; Claimants' claims are barred by the doctrines of estoppel, intervening cause, ratification and waiver; and Claimants failed to mitigate their damages.

### **RELIEF REQUESTED**

Claimants requested an award in the amount of:

|                             |              |
|-----------------------------|--------------|
| Actual/Compensatory Damages | \$191,111.80 |
| Interest                    | Unspecified  |
| Attorneys' Fees             | Unspecified  |
| Other Costs                 | Unspecified  |
| Other Monetary Relief       | Unspecified  |

Respondents requested that the claims asserted against them be denied in their entirety. Also, Respondent Garcia requested that these claim be expunged from his CRD record.

### **OTHER ISSUES CONSIDERED & DECIDED**

Respondent, Juan M. Garcia, 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 prehearings is bound by the determination of the arbitration panel on all issues submitted.

On or about September 19, 2005, Claimants dismissed their claims against Respondent, Juan M. Garcia. Claimants have informed NASD Dispute Resolution that the claims against Respondent Citigroup have been fully resolved and compromised. Pursuant to the settlement between Claimants and Citigroup, the parties have requested that the undersigned arbitrators enter a Stipulated Award expunging any reference to this case and claim from the NASD Central Registration Depository ("CRD") record of Garcia.

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 parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrator orders as follows:

- 1.) Claimants' claims, each and all, are dismissed with prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent, Juan M. Garcia's, registration records maintained by the NASD Central Registration Depository, (individual CRD No. 2519918), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent, Juan M. Garcia, must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 300.00

#### **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 person at the time of the events giving rise to the dispute. In this matter, the member firm is Citigroup Global Markets, Inc.

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

### **Adjournment Fees**

Adjournments granted during these proceedings:

February 3-7, 2004, adjournment requested by Claimants = \$ 1,125.00  
(the Panel waived fee)

May 24-27, 2005, adjournment requested by jointly by the parties = \$ 1,125.00  
(fee waived, as the parties agreed to participate in NASD Mediation)

### **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 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 x \$450.00 = \$ 450.00  
Pre-hearing conference: December 15, 2003 1 session

Two (2) Pre-hearing sessions with Panel x \$1,125.00 = \$ 2,250.00  
Pre-hearing conferences: September 8, 2003 1 session  
August 10, 2005 1 session

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Total Forum Fees = \$ 2,700.00

The Arbitration Panel has assessed \$1,350.00 of the forum fees jointly and severally to Alberto Robledo Serrano, Maria E. Villavicencio, Yolanda F. Robledo and Maria R. Robledo.

The Arbitration Panel has assessed \$1,350.00 of the forum fees jointly and severally to Citigroup Global Markets, Inc. and Juan M. Garcia.

### **Fee Summary**

Claimants, Alberto Robledo Serrano, Maria E. Villavicencio, Yolanda F. Robledo and Maria R. Robledo, are jointly and severally liable for:

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

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

|  |               |
|--|---------------|
| <u>Member Fees</u>                           | = \$ 5,200.00 |
| <u>Total Fees</u>                            | = \$ 5,200.00 |
| <u>Less payments</u>                         | = \$ 5,725.00 |
| Refund Due to Citigroup Global Markets, Inc. | = \$ 525.00   |

Respondents, Citigroup Global Markets, Inc. and Juan M. Garcia, are jointly and severally liable for:

|                                     |               |
|-------------------------------------|---------------|
| <u>Forum Fees</u>                   | = \$ 1,350.00 |
| <u>Total Fees</u>                   | = \$ 1,350.00 |
| <u>Less payments</u>                | = \$ 1,350.00 |
| 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**

Jerry Hoover, Esq. - Public Arbitrator, Presiding Chair  
W. Merrill Glasgow - Public Arbitrator  
Mobley E. Cox, Jr. - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Jerry Hoover, Esq.  
Jerry Hoover, Esq.  
Public Arbitrator, Presiding Chair

February 9, 2006  
Signature Date

/s/ W. Merrill Glasgow  
W. Merrill Glasgow  
Public Arbitrator

February 9, 2006  
Signature Date

Mobley E. Cox, Jr.  
Non-Public Arbitrator

Signature Date

February 9, 2006  
Date of Service (For NASD office use only)

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|  |               |
|--|---------------|
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|                                     |               |
|-------------------------------------|---------------|
| Forum Fees                          | = \$ 1,350.00 |
| Total Fees                          | = \$ 1,350.00 |
| Less payments                       | = \$ 1,350.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00     |

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Public Arbitrator, Presiding Chair

Feb. 9, 2006  
Signature Date

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Public Arbitrator

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Jerry Hoover, Esq.  
Public Arbitrator, Presiding Chair

W. Merrill Glasgow  
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Public Arbitrator

\_\_\_\_\_  
Signature Date

2/9/06  
Signature Date

\_\_\_\_\_  
Mobley E. Cox, Jr.  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD office use only)