

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Evelyn S. Belleman

Case Number: 03-03936

Name of the Respondents

Salomon Smith Barney, Inc.

n/k/a Citigroup Global Markets, Inc.

Robert J. Schmidt

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimant, Evelyn S. Belleman ("Claimant") was represented by Daniel Robbins, Esq., Law Offices of Daniel Robbins, New York, New York.

Respondents, Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("SSB") and Robert J. Schmidt ("Schmidt"), hereinafter collectively referred to as "Respondents", were represented by David C. Franceski, Esq. and Thomas W. Dymek, Esq., Stradley, Ronon, Stevens & Young, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on: May 29, 2003.

Claimant signed the Uniform Submission Agreement on: May 27, 2003.

Joint Statement of Answer filed by Respondents on: August 20, 2003.

A representative of Respondent SSB signed the Uniform Submission Agreement on: July 30, 2003.

Respondent Schmidt did not file a signed Uniform Submission Agreement.

CASE SUMMARY

Claimant commenced this action against Respondents seeking to recover alleged losses in Claimant's SSB accounts. As a basis for this recovery, Claimant alleged theories of (i) violations of federal anti-fraud securities laws, (ii) common law fraud, (iii) failure to supervise and control person liability, (iv) *respondeat superior* liability, and (v) breach of contract stemming from the alleged making of unsuitable investment recommendations. The causes of action relate to the suitability of the overall composition of Claimant's accounts, including unspecified equities and equity funds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: (i) ratification, (ii) estoppel, (iii) waiver,

(iv) statute of limitations, (v) failure to mitigate damages, and (vi) no basis for award of attorneys' fees.

RELIEF REQUESTED

Claimant requested the following damages:

Compensatory Damages	\$ 340,427.71
Punitive Damages	\$ 680,855.42
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondents requested that the Arbitration Panel (the "Panel") dismiss Claimant's claims with prejudice, and order the expungement of this matter from Respondent Schmidt's record.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Schmidt did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

Prior to the hearing, the Parties fully and finally settled all claims by and between them. Therefore, the Parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The listed parties have amenablely resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Schmidt'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 Schmidt must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. Claimant dismisses, with prejudice, all claims asserted against Respondents;

4. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
5. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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 = \$ 500.00

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(s) at the time of the events giving rise to the dispute. Accordingly, Respondent SSB is a party.

Member surcharge = \$ 2,800.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 5,000.00

Total Member Fees = \$ 8,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

March 16 – March 18, 2004, adjournment by parties = fee waived

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

One (1) Pre-hearing session with Panel @ \$ 1,200 = \$ 1,200.00

Pre-hearing conference: December 16, 2003 1 session

Total Forum Fees = \$ 1,200.00

1. The Panel has assessed \$ 600.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 600.00 of the forum fees jointly and severally to Respondents.

EEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee = \$ 500.00

Forum Fees	= \$ 600.00
Total Fees	= \$ 1,100.00
Less payments	= \$ 1,810.25
Refund owed to Claimant	= \$ 710.25

2. Respondent, SSB, is assessed and shall pay the following fees:

Member Fees	= \$ 8,550.00
Total Fees	= \$ 8,550.00
Less payments	= \$ 8,550.00
Balance Due NASD Dispute Resolution	= \$ 00.00

3. Respondents, SSB and Schmidt, are jointly and severally assessed and shall pay the following fees:

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 110.25
Balance Due NASD Dispute Resolution	= \$ 489.75

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

ARBITRATION PANEL

Michael S. Meyer, Esq.	-	Public Arbitrator, Presiding Chairperson
William J. McDevitt, Esq.	-	Public Arbitrator, Panelist
Virginia Kali Sourlis, Esq.	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Michael S. Meyer, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

William J. McDevitt
William J. McDevitt, Esq.
Public Arbitrator, Panelist

5/18/04
Signature Date

Virginia Kali Sourlis, Esq.
Non-Public Arbitrator, Panelist

Signature Date

May 21, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

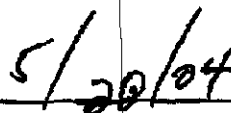
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