

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Russell Schieder, Jr.

Case Number: 03-04603

Names of the Respondents
Richard Flora
Salomon Smith Barney, Inc.
n/k/a Citigroup Global Markets, Inc.

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimant, Russell Schieder, Jr., hereinafter referred to as "Claimant", was represented by Steven H. Berkowitz, Esq., Moore & Berkowitz, Southampton, Pennsylvania.

Respondents, Richard Flora ("Flora") and Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("Citigroup"), hereinafter collectively referred to as "Respondents", were represented by Richard C. Szuch, Esq., Dillon, Bitar & Luther, L.L.C., Morristown, New Jersey.

CASE INFORMATION

Statement of Claim filed on June 25, 2003.

Claimant signed the Uniform Submission Agreement on June 18, 2003.

Statement of Answer filed by Respondents on August 21, 2003.

A representative of Respondent Citigroup signed the Uniform Submission Agreement on August 19, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: common law fraud; fraudulent inducement, breach of contract; breach of fiduciary duty; violation of NASD and NYSE rules; failure to supervise; and, unjust enrichment. The causes of action relate to the purchase and sale that included but was not limited to the following stocks: Rhythms NetConnections, MCI Worldcom, Inc., Global Crossing, Ltd., Charter Communications and XO Communications.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses among others: ratification, laches, waiver, estoppel and failure to mitigate damages.

RELIEF REQUESTED

Claimant requested the following damages:

Compensatory Damages	\$345,321.71
Punitive Damages	\$100,000.00
Interest	unspecified amount
Attorneys' Fees	unspecified amount
Other Costs	unspecified amount

Respondents request that the Statement of Claim be dismissed, that they be awarded costs and fees and that Respondent Flora's NASD Central Registration Depository ("CRD") record be expunged.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Flora 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 Arbitration Panel (the "Panel") on all issues submitted.

Prior to the hearing and as a part of settlement negotiations, Respondent Flora was dismissed with prejudice and 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 amicably 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 Flora's registration records maintained by the CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Flora must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. 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 = \$ 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. Accordingly, Citigroup is a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

June 29-30, 2004 adjournment requested by Citigroup = \$ 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 a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: June 4, 2004 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00

Pre-hearing conference: January 15, 2004 1 session

Total Forum Fees = \$1,575.00

1. The Panel has assessed \$525.00 of the forum fees to Claimant.
2. The Panel has assessed \$525.00 of the forum fees to Respondent Flora.
3. The Panel has assessed \$525.00 of the forum fees to Respondent Citigroup.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 525.00
Retained hearing session deposit	= \$ 600.00
<u>Three-day cancellation fee</u>	<u>= \$ 100.00</u>
Total Fees	= \$1,525.00
<u>Less payments</u>	<u>= \$1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 100.00

2. Respondent Flora is assessed and shall pay:

Forum Fees	= \$ 525.00
<u>Three-day cancellation fee</u>	<u>= \$ 100.00</u>
Total Fees	= \$ 625.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 625.00

3. Respondent Citibank is assessed and shall pay:

Member Fees	= \$5,200.00
Forum Fees	= \$ 525.00
<u>Three-day cancellation fee</u>	<u>= \$ 100.00</u>
Total Fees	= \$5,825.00
<u>Less payments</u>	<u>= \$6,700.00</u>
Balance Transferred to Mediation	= \$ 875.00

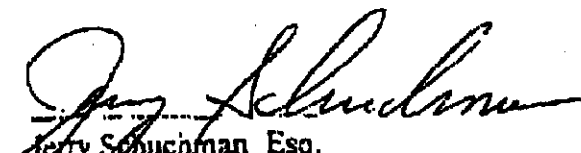
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Jerry Schuchman, Esq.
Demetrio S. Timban, Jr., Esq.
John B. Ryan

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


Jerry Schuchman, Esq.
Public Arbitrator, Presiding Chairperson

2/16/2005
Signature Date

Demetrio S. Timban, Jr., Esq.
Public Arbitrator, Panelist

Signature Date

John B. Ryan
Non-Public Arbitrator, Panelist

Signature Date

2/25/05
Date of Service (For NASD Dispute Resolution office use only)

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John B. Ryan

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- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Jerry Schuchman, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Demetrio S. Timban, Jr., Esq.
Public Arbitrator, Panelist

2/15/05
Signature Date

John B. Ryan
Non-Public Arbitrator, Panelist

Signature Date

2/25/05

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John B. Ryan
Non-Public Arbitrator, Panelist

02/25/05

Signature Date

2/25/05

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