

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Jim Liberty

Case Number: 03-04902

Names of the Respondents
Citigroup Global Markets, Inc.,
formerly known as Salomon Smith
Barney, Inc., Charles Lawrence
Sheridan and James Clyde Hansberger

Hearing Site: Atlanta, Georgia

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

REPRESENTATION OF PARTIES

For Jim Liberty, hereinafter referred to as "Claimant": Robert H. McKnight, Esq., Berman Fink Van Horn P.C., Atlanta, Georgia.

For Citigroup Global Markets, Inc., formerly known as Salomon Smith Barney, Inc. ("Citigroup"), Charles Lawrence Sheridan ("Sheridan") and James Clyde Hansberger ("Hansberger"), hereinafter collectively referred to as "Respondents": Brett A. Rogers, Esq. and John Da Grosa Smith, Esq., Rogers & Hardin LLP, Atlanta, Georgia.

CASE INFORMATION

Statement of Claim filed on or about: June 30, 2003.

Claimant signed the Uniform Submission Agreement: April 22, 2003.

Statement of Answer filed by Respondents on or about: September 26, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: February 6, 2004.

Respondent Sheridan signed the Uniform Submission Agreement: September 26, 2003.

Respondent Hansberger signed the Uniform Submission Agreement: October 1, 2003.

Respondents' Memorandum in Support of Respondents' Motion to Bar Claims for Losses on Worldcom Stock filed on or about: September 14, 2004.

Respondents' Motion for Attorneys' Fees and Costs Against Claimant filed on or about: September 14, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: fraud and deceit; violation of the know your customer rules of the NASD; controlling person liability; failure to supervise its employees; failure to monitor and supervise Claimant's accounts; knowing or reckless misstatements and omissions of material facts; and, breach of fiduciary duty. The causes of action relate to Claimant's investments in the AIM Aggressive Growth Fund, Smith Barney Premium Total Return Fund, Cl. B, Smith Barney Diversified Stra. Fund, Cl. B, Smith Barney World Funds, Inc. Intern. Equity Cl. B, Smith Barney Special Equities Fund, Cl. B, Smith Barney Special Equities

Fund, Class C and shares of WorldCom, Inc. stock in his accounts.

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 damages in the amount of \$382,444.00, interest in the amount of \$93,698.76, attorneys' fees and expert witness fees and punitive damages.

Respondents requested a dismissal of the Statement of Claim in its entirety and that each of Claimant's demands for damages, including his demands for punitive damages and costs be denied. Further, Respondents requested that the arbitration panel enter an award of reasonable attorneys' fees and costs against Claimant in this matter in an amount to be determined in the discretion of the arbitration panel and that the arbitration panel order that the costs of the court reporter be split amongst the parties.

OTHER ISSUES CONSIDERED AND DECIDED

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

During the evidentiary hearing, Claimant dismissed, with prejudice, all claims asserted against Respondent Hansberger.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

The Panel orders no award for Claimant in this case.

Since there is no award for Claimant, Respondents' Memorandum in Support of Respondents' Motion to Bar Claims for Losses on Worldcom Stock is deemed moot.

The request that the cost of the court reporter be split amongst the parties is denied unless the parties made an agreement to split these costs prior to the recent request.

The parties' requests for attorneys' fees are denied.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, are denied.

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 = \$300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm 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:

No adjournment 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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$900.00

Pre-hearing conferences: May 4, 2004 1 session

August 4, 2004 1 session

Two (2) Pre-hearing sessions with the Panel @ \$1,125.00 = \$2,250.00

Pre-hearing conferences: January 29, 2004 1 session

March 23, 2004 1 session

Nine (9) Hearing sessions @ \$1,125.00 = \$10,125.00

Hearing Dates:	August 31, 2004	2 sessions
	September 1, 2004	2 sessions
	September 2, 2004	2 sessions
	September 3, 2004	3 sessions

Total Forum Fees	= \$13,275.00
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The Panel has assessed \$6,637.50 of the forum fees to Claimant.

The Panel has assessed \$6,637.50 of the forum fees jointly and severally to Respondents Citigroup and Sheridan.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee	= \$300.00
Forum Fees	= \$6,637.50

Total Fees	= \$6,937.50
Less payments	= \$5,925.00

Balance Due NASD Dispute Resolution	= \$1,012.50
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Respondent Citigroup is solely liable for:

Member Fees	= \$5,200.00
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Total Fees	= \$5,200.00
Less payments	= \$5,200.00

Balance Due NASD Dispute Resolution	= \$0.00
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Respondents Citigroup and Sheridan are jointly and severally liable for:

Forum Fees	= \$6,637.50
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Total Fees	= \$6,637.50
Less payments	= \$6,637.50

Balance Due NASD Dispute Resolution	= \$0.00
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Janice L. Weeks	-	Public Arbitrator, Presiding Chair
Robert Allen Fine	-	Public Arbitrator
George S. Willingham	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Janice L. Weeks
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Robert Allen Fine
Public Arbitrator

Signature Date

_____/S/_____
George S. Willingham
Non-Public Arbitrator

Signature Date

September 24, 2004

Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures



Janice L. Weeks
Public Arbitrator, Presiding Chair

9/22/2004
Signature Date

Robert Allen Fine
Public Arbitrator

Signature Date



George S. Willingham
Non-Public Arbitrator

9/22/2004
Signature Date

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Janice L. Weeks
Public Arbitrator, Presiding Chair

Signature Date

Robert A. Fine
Robert Allen Fine
Public Arbitrator

Sept. 24, 2004
Signature Date

George S. Willingham
Non-Public Arbitrator

Signature Date

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