

**AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Name of Claimant

Joe M. Cantu

and

Case Number: 03-04963
Hearing Site: Houston, Texas

Name of Respondent

Citigroup Global Markets, Inc.

NATURE OF DISPUTE

Associated Person v. Member Firm

REPRESENTATION OF PARTIES

Joe M. Cantu ("**Claimant**") was represented by Rodney Heggy, Esq., of Heggy & Associates, of Oklahoma City, Oklahoma.

Citigroup Global Markets, Inc. ("**Citigroup**") was represented by Marcia S. Mintz, Esq., of Citigroup Global Markets, Inc., New York, New York.

CASE INFORMATION

The Statement of Claim was filed on or about July 7, 2003.

The Submission Agreement of Claimant, Joe M. Cantu, was signed on or about June 20, 2003.

Statement of Answer was filed by Respondent, Citigroup Global Markets, Inc., on or about August 28, 2003.

The Submission Agreement of Respondent, Citigroup Global Markets, Inc., was signed on or about August 28, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment contract. The cause of action related to Claimant's participation in Citigroup's Capital Accumulation Plan

("CAP"), which is a voluntary, equity-based compensation plan where designated portions of his compensation were used to purchase Citigroup restricted stock instead of cash. On March 28, 2002, Claimant voluntarily resigned from Citigroup. Claimant alleged that he is entitled to the money invested in the CAP program

Unless specifically admitted in its Answer, Respondent, Citigroup Global Markets, Inc., denied the allegations made in the Statement of Claim. Respondent alleged that since Claimant voluntarily resigned from Citigroup prior to the lapse in the two-year restriction, as stated in the Election Forms that Claimant executed, he had forfeited the restricted stock. Respondent asserted affirmative defenses including the following: the Statement of Claim should be dismissed for failing to state a claim upon which relief can be granted; Respondent acted in good faith toward Claimant and did not directly, or indirectly, act or induce any acts constituting a cause of action; the alleged losses of Claimant are caused by his own conduct; and Claimant is barred as a matter of law from receiving punitive damages.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory	\$96,465.52
Treble Damages	\$192,931.04
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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 pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims are hereby denied and dismissed with prejudice in their

- entirety;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) Any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

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. In this matter, the member firm is Citigroup Global Markets, Inc.

Member surcharge	= \$1700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2750.00

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 Panel x \$1125.00	= \$1125.00
Pre-hearing conference: December 29, 2003	1 session
Two (2) Hearing sessions x \$1125.00	= \$2250.00
Hearing Date: April 27, 2004	2 sessions
Total Forum Fees	= \$3375.00

The Arbitration Panel has assessed \$1687.50 of the forum fees to Joe M. Cantu.
The Arbitration Panel has assessed \$1687.50 of the forum fees to Citigroup Global Markets, Inc.

FEE SUMMARY

Claimant, Joe M. Cantu, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1687.50
<u>Total Fees</u>	<u>= \$ 1987.50</u>
<u>Less payments</u>	<u>= \$ 1425.00</u>
Balance Due NASD Dispute Resolution	= \$ 562.50

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

Member Fees	= \$ 5200.00
Forum Fees	= \$ 1687.50
<u>Total Fees</u>	<u>= \$ 6887.50</u>
<u>Less payments</u>	<u>= \$ 5200.00</u>
Balance Due NASD Dispute Resolution	= \$ 1687.50

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

ARBITRATION PANEL

Gregory E. Cater - Non-Public Arbitrator, Presiding Chair
Franklin Anthony Arnold - Non-Public Arbitrator
Larry J. Sklar - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Gregory E. Cater
Gregory E. Cater
Non-Public Arbitrator, Presiding Chair

April 30, 2004
Signature Date

/s/ Franklin Anthony Arnold
Franklin Anthony Arnold
Non-Public Arbitrator

April 30, 2004
Signature Date

/s/ Larry J. Sklar
Larry J. Sklar
Non-Public Arbitrator

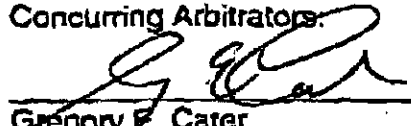
April 30, 2004
Signature Date

April 30, 2004
Date of Service (For NASD office use only)

ARBITRATION PANEL

Gregory E. Cater - Non-Public Arbitrator, Presiding Chair
Franklin Anthony Arnold - Non-Public Arbitrator
Larry J. Sklar - Non-Public Arbitrator

Concurring Arbitrators:



Gregory E. Cater
Non-Public Arbitrator, Presiding Chair

4/30/09

Signature Date

Franklin Anthony Arnold
Non-Public Arbitrator

Signature Date

Larry J. Sklar
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

Gregory E. Cater - Non-Public Arbitrator, Presiding Chair
Franklin Anthony Arnold - Non-Public Arbitrator
Larry J. Sklar - Non-Public Arbitrator

Concurring Arbitrators:

Gregory E. Cater
Non-Public Arbitrator, Presiding Chair

Signature Date



Franklin Anthony Arnold
Non-Public Arbitrator

4/30/04

Signature Date

Larry J. Sklar
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

Gregory E. Cater - Non-Public Arbitrator, Presiding Chair
Franklin Anthony Arnold - Non-Public Arbitrator
Larry J. Sklar - Non-Public Arbitrator

Concurring Arbitrators:

Gregory E. Cater
Non-Public Arbitrator, Presiding Chair

Signature Date

Franklin Anthony Arnold
Non-Public Arbitrator

Signature Date

Larry J. Sklar

Larry J. Sklar
Non-Public Arbitrator

4/30/04

Signature Date

Date of Service (For NASD office use only)