
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Vincent S. Lucido IRA

Case Number: 03-05410

Names of the Respondents
Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc.
Todd M. Hoffman

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Vincent S. Lucido IRA, hereinafter referred to as "Claimant": Edwin B. Kagan, Esq., Edwin B. Kagan, P.A., Tampa, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Todd M. Hoffman, ("Hoffman"), hereinafter collectively referred to as "Respondents": Stephen Mendelsohn, Esq., Greenberg Traurig, Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 23, 2003.

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

Statement of Answer filed by Respondents on or about: October 8, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: October 8, 2003.

Respondent Hoffman signed the Uniform Submission Agreement: November 10, 2003.

CASE SUMMARY

Claimant alleged the following causes of action: violation of the Florida Securities and Investor Protection Act (Section 517.301, Florida Statutes), breach of contract, breach of fiduciary duty, negligence and gross negligence, and common law fraud. The causes of action relate to various unspecified mutual funds in Claimant's two IRA accounts: one consisting of a managed stock portfolio, the other consisting of two annuities, one from Anchor National Life and the other issued by GE Life and Annuity Commonwealth Plus.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested that the Panel issue an award that finds Respondents Citigroup and Hoffman, jointly and severally, liable to Claimant, as follows: damages in the approximate amount of \$215,000.00, representing the out-of-pocket loss sustained by Claimant plus the surrender penalties on sale of the annuities; punitive damages in an amount determined by the Panel; pre-judgment interest at the statutory rate; reasonable attorneys' fees; costs of this proceeding and such other and further relief as the arbitration Panel deems proper.

Respondents requested that the Statement of Claim be dismissed in its entirety, and that Respondents be awarded their costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

Respondents Citigroup and Hoffman are liable, jointly and severally, and shall pay to Claimant, damages in the amount of \$124,255.00.

The Panel finds in favor of Claimant on the issue of unsuitability.

The Panel finds no liability on the following causes of action: Section 517 Florida Statutes, lack of supervision, breach of contract, breach of fiduciary duty, negligence and common law fraud.

The Panel awards pre-judgment interest at the Florida statutory rate from September 1, 2002 until February 7, 2005.

Any and all claims for relief not specifically addressed herein, including Claimant's claims for attorneys' fees and costs are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD 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, Respondent Citigroup is a member firm and a party.

Member Surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments granted during these proceedings for which fees were assessed.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

Three-day cancellation fees were not assessed 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.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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 the Panel @ \$1,125.00 per session	= \$1,125.00
Pre-hearing conference: January 5, 2004 1 session	
Five (5) Hearing sessions @ \$1,125.00 per session	= \$5,625.00
Hearing Dates: February 7, 2005 2 sessions	
February 8, 2005 2 sessions	
February 9, 2005 1 session	
Total Forum Fees	= \$6,750.00

The Panel has assessed forum fees in the amount of \$3,375.00 to Claimant.

The Panel has assessed forum fees in the amount of \$3,375.00 to Respondents Citigroup and Hoffman, jointly and severally.

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

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 3,375.00
Total Fees	= \$ 3,675.00
<u>Less payments</u>	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 2,250.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents Citigroup and Hoffman are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 3,375.00
Total Fees	= \$ 3,375.00
<u>Less payments</u>	= \$ 0.00
Balance due NASD Dispute Resolution	= \$ 3,375.00

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

ARBITRATION PANEL

Frank Brenner	-	Public Arbitrator, Presiding Chairperson
Walter C. Copeland	-	Public Arbitrator
David C. Lockhart	-	Non-Public Arbitrator

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Concurring Arbitrators' Signatures

_____/s/_____
Frank Brenner
Public Arbitrator, Presiding Chairperson

Signature Date

_____/s/_____
Walter C. Copeland
Public Arbitrator

Signature Date

_____/s/_____
David C. Lockhart
Non-Public Arbitrator

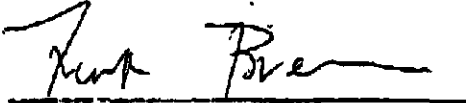
Signature Date

February 14, 2005

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

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Concerning Arbitrators' Signatures



Frank Breaner
Public Arbitrator, Presiding Chairperson

February 10, 2005

Signature Date

Walter C. Copeland
Public Arbitrator

Signature Date

David C. Lockhart
Non-Public Arbitrator

Signature Date

February, 2005

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

Concurring Arbitrators' Signatures

Frank Brenner

Public Arbitrator, Presiding Chairperson

Signature Date

Walter C. Copeland

Walter C. Copeland

Public Arbitrator

2-10-05
Signature Date

David C. Lockhart

Non-Public Arbitrator

Signature Date

February 2005

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Concurring Arbitrators' Signatures

Frank Brenner

Public Arbitrator, Presiding Chairperson

Signature Date

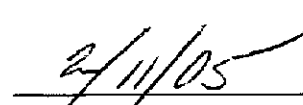
Walter C. Copeland

Public Arbitrator

Signature Date



David C. Lockhart
Non-Public Arbitrator



Signature Date

February _____, 2005

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