

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

The Frank and Lorraine Krajewski Revocable Trust, Claimant v. Salomon Smith Barney Inc.,  
now known as Citigroup Global Markets Inc. and Eric B. Soiland, Respondents

Case Number: 03-05615

Hearing Site: San Francisco, California

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

**REPRESENTATION OF PARTIES**

For Claimant:

Frank and Lorraine Krajewski  
Walnut Creek, California

For Respondents:

Linda R. Alpert, Esq.  
Citigroup Global Markets Inc.  
New York, New York

**CASE INFORMATION**

Statement of Claim filed: July 25, 2003

Claimant's Uniform Submission Agreement signed: August 10, 2003

Joint Statement of Answer filed by Respondents Salomon Smith Barney Inc., now known as  
Citigroup Global Markets Inc. ("Smith Barney") and Eric B. Soiland: October 14, 2003

Respondent Smith Barney's Uniform Submission Agreement signed: August 29, 2003

Respondent Eric B. Soiland's Uniform Submission Agreement signed: September 9, 2003

**CASE SUMMARY**

Frank and Lorraine Krajewski alleged that Claimant's account suffered losses because of inappropriate investments made by Respondents in Claimant's account. Claimant's Claim did not specify the products at issue in this matter.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant. Respondents also asserted affirmative defenses.

### **RELIEF REQUESTED**

Claimant requested:

1. Damages in the amount of \$88,021.00;
2. Punitive damages in the amount of \$13,689.53; and
3. Costs.

Respondents requested that Claimant's claims be dismissed and that all costs be assessed against Claimant, and that Mr. Soiland's regulatory records be ordered expunged of all references to this claim.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On September 2, 2003, Claimant signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On September 8, 2003, Respondents' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

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

- 1) All claims by Claimant, including the claim for punitive damages, are dismissed.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Eric B. Soiland'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 Soiland must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) All other relief not expressly granted is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD-DR received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$300.00

#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, Smith Barney is a party and the following fees are assessed:

Member Surcharge = \$1,700.00

Pre-Hearing Process Fee = \$ 750.00

Hearing Process Fee = \$2,750.00

Total Member Fees = \$5,200.00

#### **Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session = \$1,125.00

Pre-hearing conference: December 15, 2003 1 session

(2) Hearing sessions @ \$1,125.00/session = \$2,250.00

Hearing: March 16, 2004 2 sessions

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**Total Forum Fees = \$3,375.00**

The Panel assessed \$1,687.50 in forum fees to Claimant.

The Panel assessed \$1,687.50 in forum fees jointly and severally to Respondents Smith Barney and Soiland.



**Fee Summary**

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,687.50
Total Fees	= \$ 1,987.50
<u>Less Payments</u>	= \$(1,425.00)
Balance Due NASD-DR	= \$ 562.50

2. Respondent Smith Barney is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
<u>Less Payments</u>	= \$(5,200.00)
Balance Due NASD-DR	= \$ 0.00

3. Respondents Smith Barney and Soiland are charged jointly and severally with the following fees and costs:

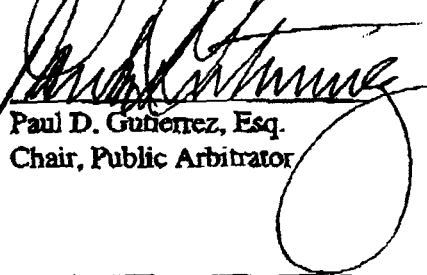
Forum Fees	= \$ 1,687.50
<u>Less Payments</u>	= \$ (0.00)
Balance Due NASD-DR	= \$ 1,687.50

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

**ARBITRATION PANEL**

Paul D. Gutierrez, Esq.	-	Public Arbitrator, Presiding Chair
Benjamin Slomoff, ADR, M.A.	.	Public Arbitrator
Kurt H. Benner	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**



Paul D. Gutierrez, Esq.  
Chair, Public Arbitrator

MARCH 26, 2004  
Signature Date

Benjamin Slomoff, ADR, M.A.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Kurt H. Benner  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

3/29/04  
Date of Service

**ARBITRATION PANEL**

Paul D. Gutierrez, Esq.	-	Public Arbitrator, Presiding Chair
Benjamin Slomoff, ADR, M.A.	-	Public Arbitrator
Kurt H. Benner	-	Non-Public Arbitrator

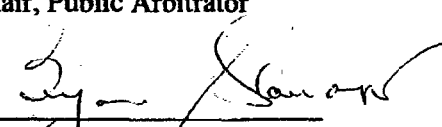
**Concurring Arbitrators' Signatures**

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Paul D. Gutierrez, Esq.  
Chair, Public Arbitrator

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Signature Date

  
Benjamin Slomoff, ADR, M.A.  
Public Arbitrator

3/24/04  
Signature Date

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Kurt H. Benner  
Non-Public Arbitrator

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Signature Date

3/29/04  
Date of Service

**ARBITRATION PANEL**

Paul D. Gutierrez, Esq.	-	Public Arbitrator, Presiding Chair
Benjamin Slomoff, ADR, M.A.	-	Public Arbitrator
Kurt H. Benner	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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Paul D. Gutierrez, Esq.  
Chair, Public Arbitrator

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Signature Date


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Benjamin Slomoff, ADR, M.A.  
Public Arbitrator

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Signature Date

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Kurt H. Benner  
Non-Public Arbitrator

3/29/04

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Signature Date

3/29/04

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Date of Service