

Stipulated Award
NASD Dispute Resolution

COPY

In the Matter of the Arbitration Between:

David A. Bessey IRA, Claimant v. Donna L. Opitz f/k/a Donna Stolle and Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., Respondents

Case Number: 03-05943

Hearing Site: Portland, Oregon

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

REPRESENTATION OF PARTIES

For Claimant:

**Jeffrey S. Salisbury, Esq.
Law Office of Jeffrey S. Salisbury
Eugene, Oregon**

For Respondents:

**Sean D. Muntz, Esq.
Keesal, Young & Logan
Long Beach, California**

CASE INFORMATION

Statement of Claim filed: August 12, 2003

Claimant's Uniform Submission Agreement signed: May 2, 2003

Joint Statement of Answer filed by Respondents: October 24, 2003

**Respondent Donna L. Opitz f/k/a Donna Stolle's Uniform Submission Agreement signed:
September 30, 2003**

**Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.'s Uniform
Submission Agreement signed: November 11, 2003**

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CASE SUMMARY

In his Statement of Claim, Claimant alleged violation Oregon Securities Law §59.115 and §59.135, violation of the Blue Sky Law, negligence, negligent misrepresentation, breach of fiduciary duty, and failure to supervise. Claimant's allegations involved investment in various Mutual Funds including AIM Constellation Fund Class B, AIM Weingarten Fund Class B, Smith Barney Fundamental Value Class B, Smith Barney Aggressive Growth Class B, Van Kampen Emerging Growth Class B, and Van Kampen High Income Corporate Bond Fund Class B.

Respondents denied the allegations of wrongdoing as set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages under three alternate theories: (1) \$160,000.00 pursuant to Oregon's "Blue Sky" Securities Law; (2) \$80,000.00 in "properly managed accounts" damages; or, (3) \$80,000.00 in net out of pocket losses. Claimant also requested unspecified punitive damages, interest at a rate of 9% per annum, and costs, including attorney's fees and expert witness fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, expungement of all reference to the above captioned arbitration from Respondents Donna L. Optiz f/k/a Donna Stolle and Citigroup Global Markets f/k/a Salomon Smith Barney Inc.'s registration records maintained by the NASD Central Registration Depository ("CRD"), and reimbursement of their costs, including attorney's fees and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 14, 2004, the Parties entered into a confidential settlement agreement pursuant to which Claimant agreed to dismiss all claims with prejudice. The Parties requested that a Stipulated Award be entered.

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

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AWARD

After considering the Stipulation of the Parties, and the Parties request for a Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) The Panel acknowledges the Parties' confidential settlement agreement. Claimant's claims against Respondents are dismissed with prejudice.
- 2) The Parties shall bear their respective costs, including attorney's fees.
- 3) The Panel recommends expungement of all reference to the above-captioned arbitration from Respondent Donna L. Optiz f/k/a Donna Stolle's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Donna L. Optiz f/k/a Donna Stolle must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300.00
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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, the member firm Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is a party and the following fees are assessed:

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

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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.

Cancellation of September 15- 17, 2004, hearing dates: = \$300.00

1. The Panel assessed \$150.00 of the 3-day cancellation fee to Claimant.
2. The Panel assessed \$150.00 of the 3-day cancellation fee jointly and severally to Respondents.

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 or the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session = \$ 450.00
 Pre-hearing conference: August 23, 2004 1 session

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session = \$ 1,125.00
 Pre-hearing conference: January 12, 2004 1 session

Total Forum Fees = \$ 1,575.00

1. The Panel assessed \$787.50 of the forum fees to Claimant.
2. The Panel assessed \$787.50 of the forum fees jointly and severally to Respondents.

Fee Summary

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

Initial Filing Fee	= \$ 300.00
Three-Day Cancellation Fees	= \$ 150.00
Forum Fees	= \$ 787.50
Total Fees	= \$ 1,237.50
Retained Deposit pursuant Rule 10322(f)	= \$ 337.50
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 150.00

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2. Respondent Citigroup Global Markets, Inc. is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
<u>Less payments</u>	<u>= \$(7,012.50)</u>
Refund Due Citigroup Global Markets, Inc.	= \$(1,812.50)

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

Forum Fee	= \$ 787.50
<u>Three-Day Cancellation Fee</u>	<u>= \$ 150.00</u>
Total Fees	= \$ 937.50
<u>Less Payments by Citigroup Global Markets, Inc.</u>	<u>= \$(937.50)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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


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ARBITRATION PANEL

Thomas Y. Higashi, Esq.
Henry H. Drummonds, Esq.
Gary F. Purpura

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures


Thomas Y. Higashi, Esq.
Chair, Public Arbitrator

2/8/05
Signature Date

Henry H. Drummonds, Esq.
Public Arbitrator

Signature Date

Gary F. Purpura
Non-Public Arbitrator

Signature Date

2/11/05
Date of Service

NASD Dispute Resolution
Arbitration No. 03-05943
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Thomas Y. Higashi, Esq.
Henry H. Drummonds, Esq.
Gary F. Purpura

- Public Arbitrator, Presiding Chair
- Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas Y. Higashi, Esq.
Chair, Public Arbitrator



Henry H. Drummonds, Esq.
Public Arbitrator

Signature Date

2-9-05

Signature Date

Gary F. Purpura
Non-Public Arbitrator

Signature Date

2/11/05

Date of Service

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Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas Y. Higashi, Esq.
Chair, Public Arbitrator

Signature Date

Henry H. Drummonds, Esq.
Public Arbitrator

Signature Date


Gary F. Purpura
Non-Public Arbitrator

02/07/05
Signature Date

2/11/05
Date of Service

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

David A. Bessey, Claimant v. Donna Opitz, f/k/a Donna Stolle, and Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Respondents.

Case Number: 03-05943

Hearing Site: Portland, Oregon

REPRESENTATION OF PARTIES

For Claimant:

**Jeffrey S. Salisbury
Law Offices of Jeffrey S. Salisbury
4725 Village Plaza Loop, Suite 200
Eugene, OR 97401**

For Respondents:

**Michele R. Fron
Sean D. Muntz
Keesal, Young & Logan
400 Oceangate
P.O. Box 1730
Long Beach, CA 90801-1730**

CASE INFORMATION

Statement of Claim filed:	August 12, 2003
Claimant's Uniform Submission Agreement signed:	May 2, 2003
Respondents' Answer filed:	October 24, 2003
Respondent Donna Opitz's Uniform Submission Agreement signed:	September 30, 2003
Respondent Citigroup Global Markets, Inc.'s Uniform Submission Agreement signed:	November 14, 2003

CASE SUMMARY

Claimant alleged that Respondents engaged in unsuitable trading, violated Oregon Securities Laws, made negligent investment recommendations, breached their fiduciary duty owed to Claimant, and negligently misrepresented and/or omitted to disclose material facts relating to Claimant's investments. Claimant also alleged that Respondent Citigroup Global Markets, Inc. failed to supervise Respondent

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Donna Opitz, and was responsible for her alleged conduct under the doctrines of *respondeat superior*, agency, and controlling person liability.

Respondents denied each and every allegation of wrongdoing and liability set forth or implied in the Statement of Claim. Respondents further denied that Claimant was injured in the amount claimed, or in any amount, by virtue of any conduct by Respondents.

RELIEF REQUESTED

Claimant requested an award of damages under three alternate theories: (1) \$160,000 pursuant to Oregon's "Blue Sky" Securities Law; (2) \$80,000 in "properly managed account" damages; or (3) \$85,000 in net out of pocket losses. Claimant also sought an award of attorney fees, interest at the rate of 9 percent, and costs, including expert witness and forum fees.

Respondents requested that Claimant take nothing by way of his Statement of Claim, and for reimbursement of their costs, including attorneys fees and expenses, an order expunging the disclosure of this matter from Respondents' Central Registration Depository ("CRD") records, and any other relief the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

The parties have entered into a confidential settlement agreement pursuant to which Claimant has agreed to dismiss all claims with prejudice. All claims against Respondents are hereby dismissed with prejudice.

AWARD

After considering the Stipulation of the parties, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) The Panel acknowledges the parties' confidential settlement. Each of Claimant's claims asserted against Respondents is dismissed with prejudice;
- 2) The Panel recommends the expungement of all reference to the above-captioned Arbitration from Respondent Donna Optiz'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 Donna Optiz must obtain

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confirmation from a court of competent jurisdiction before the CRD will
execute the expungement directive; and

- 3) Each party shall be responsible to pay its own fees.

THE FOREGOING HAS BEEN STIPULATED TO BY AND FOR UNDERSIGNED
COUNSEL.

Jeffrey S. Salisbury
Law Offices of Jeffrey S. Salisbury
4725 Village Plaza Loop, Suite 200
Eugene, OR 97401

Michele R. Fron
Sean D. Muntz
Keesal, Young & Logan
400 Oceangate
P.O. Box 1730
Long Beach, CA 90801-1730

Attorney for Claimant

By: Jeffrey S. Salisbury
Jeffrey S. Salisbury

Attorneys for Respondents

By: Sean D. Muntz
Michele R. Fron
Sean D. Muntz

STIPULATED AND AGREED.

Parties Signatures:

David A. Bessey, Nov. 3, '04
David A. Bessey

Donna Opitz

Citigroup Global Markets, Inc.

By: _____

Its: _____

[SIGNATURES CONTINUED ON NEXT PAGE]

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Attorney for Claimant

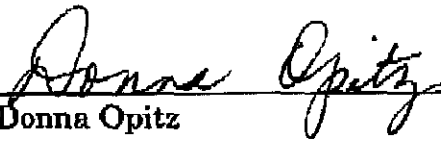
Attorneys for Respondents

By: _____
Jeffrey S. Salisbury

By: _____
Michele R. Fron
Sean D. Muntz

STIPULATED AND AGREED.
Parties Signatures:

David A. Bessey


Donna Opitz

Citigroup Global Markets, Inc.

By: _____

Its: _____

[SIGNATURES CONTINUED ON NEXT PAGE]

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Long Beach, CA 90801-1730

Attorney for Claimant

Attorneys for Respondents

By: _____
Jeffrey S. Salisbury

By: _____
Michele R. Fron
Sean D. Muntz

STIPULATED AND AGREED.

Parties Signatures:

David A. Bessey

Donna Opitz

Citigroup Global Markets, Inc.

By: *My E. Hunt*

Its: *Director / V.S. General Counsel*

[SIGNATURES CONTINUED ON NEXT PAGE]