

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Frederick G. McFall
Virginia R. McFall

Case Number: 03-06010

Name of the Respondent

Citigroup Global Markets, Inc.,
f/k/a Salomon Smith Barney, Inc.

Hearing Site: Tampa, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Frederick G. McFall and Virginia R. McFall, hereinafter collectively referred to as "Claimants": Brenda M. Combs, Esq. Williams, Schifino, Mangione & Steady, P.A., Tampa, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., hereinafter referred to as "Respondent": Frederick S. Schriels, Esq., Gray Robinson, P.A., Tampa, Florida.

CASE INFORMATION

Statement of Claim filed on or about: August 18, 2003.

Claimants signed the Uniform Submission Agreements: August 15, 2003.

Statement of Answer filed by Respondent on or about: October 30, 2003.

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

CASE SUMMARY

Claimants asserted the following causes of action: negligence; breach of fiduciary duty; and, violation of Ch. 517, Florida Statutes. The causes of action relate to the purchase and sale of unspecified securities products in Claimants' accounts.

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

RELIEF REQUESTED

Claimants requested judgment against Respondent for compensatory damages in the amount of at least \$331,978.66; interest; punitive damages; reasonable attorneys' fees and costs; and, such other and further relief as the Panel deemed just and proper.

Respondent requested that the Panel dismiss the claims being asserted by Claimants, with prejudice; order the expungement of this matter from registered representative Richard L. Hilburn's industry record; and, assess Claimants the costs incurred by Respondent to defend this

action, after which Respondent will proceed to a court of competent jurisdiction to recover attorneys' fees as the prevailing party on Claimants' statutory claim.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 21, 2004, Claimants informed NASD Dispute Resolution that they had settled the matter. Thereafter, on or about August 31, 2004, the parties filed with NASD Dispute Resolution a Joint Motion for Entry of Stipulated Arbitration Award.

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

AWARD

After considering the pleadings, and the Joint Motion for Entry of Stipulated Arbitration Award, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Claimants' claims are hereby dismissed in their entirety, with prejudice.

Any and all claims for relief, including requests for attorneys' fees, costs, and expenses associated with this arbitration, are hereby denied.

The Panel recommends the expungement of all references to the above captioned arbitration from Richard L. Hilburn'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, Richard L. Hilburn must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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
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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:

July 13, 14 and 15, 2004 Hearing Dates, adjournment fee split 50% Claimants, jointly and severally, (\$562.50) and 50% Respondent (\$562.50).

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.

No three day cancellation 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:

One (1) Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: February 11, 2004	1 session

Total Forum Fees	= \$1,125.00
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Pursuant to the agreement of the parties, the Panel has assessed \$562.50 of the forum fees to Claimants, jointly and severally, and \$562.50 of the forum fees to Respondent.

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

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$300.00
Adjournment Fee	= \$562.50
Forum Fees	= \$562.50
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Total Fees	= \$1,425.00
Less payments	= \$1,425.00
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Balance Due NASD Dispute Resolution	= \$0.00

Respondent is solely liable for:

Member Fees	= \$5,200.00
Adjournment Fee	= \$562.50
Forum Fees	= \$562.50
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Total Fees	= \$6,325.00
Less payments	= \$6,325.00
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Balance Due NASD Dispute Resolution	= \$0.00

ARBITRATION PANEL

George Felos, Esq.	-	Public Arbitrator, Presiding Chair
Constantine (Dean) E. Sperantsas	-	Public Arbitrator
Joseph D. Valenti	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
George Felos, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Constantine (Dean) E. Sperantsas
Public Arbitrator

Signature Date

_____/S/_____
Joseph D. Valenti
Non-Public Arbitrator

Signature Date

October 14, 2004
Date of Service (For NASD Dispute Resolution office use only)

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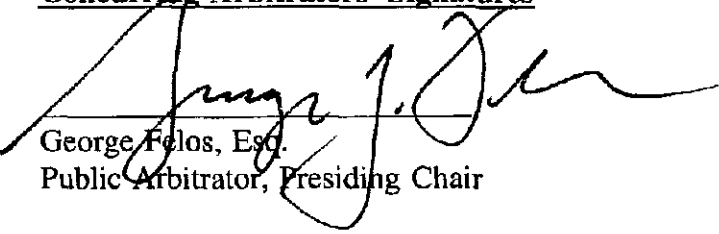
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George Felos, Esq.
Public Arbitrator, Presiding Chair

10/14/04
Signature Date

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Public Arbitrator

Signature Date

Joseph D. Valenti
Non-Public Arbitrator

Signature Date

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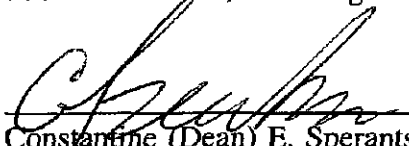
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Public Arbitrator, Presiding Chair


Constantine (Dean) E. Sperantsas
Public Arbitrator

Signature Date


Signature Date

Joseph D. Valenti
Non-Public Arbitrator

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Public Arbitrator, Presiding Chair

Signature Date

Constantine (Dean) E. Sperantas
Public Arbitrator

Signature Date



Joseph D. Valenti
Non-Public Arbitrator



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