

STIPULATED AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Elio and Gina Volta

and

03-06310
Phoenix, Arizona

Name of Respondents

Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc.
Edward A. Koven
Samuel Douglas Cornell, III

Nature of the Dispute: Customers vs. Member and Associated Persons.

REPRESENTATION OF PARTIES

Elio and Gina Volta ("**Claimants**") were represented by James Richard Hooper, Esq. Michael Lynch, Esq. and Eduardo Rodriguez, Esq., Hooper & Weiss, L.L.C., Orlando, Florida.

Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. ("**Respondent Smith Barney**") and Ed Koven ("**Respondent Koven**") were represented by Jennifer P. Nore, Esq., Meyer, Hendricks & Bivens, P.A., Phoenix, Arizona.

Samuel Douglas Cornell, III ("**Respondent Cornell**") was represented by Armand Salese, Esq., Law Office of Armand Salese, Tucson, Arizona.

CASE INFORMATION

The Statement of Claim was filed on or about September 2, 2003. Submission Agreement of Claimant Elio and Gina Volta was signed on June 19, 2003.

Statement of Answer was filed by Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. and Edward A. Koven on or about October 30, 2003. Submission Agreement of Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. was signed on October 21, 2003. Submission Agreement of Respondent Edward A. Koven was signed on November 20, 2003.

Statement of Answer and Counterclaim was filed by Respondent Samuel Douglas Cornell, III on or about October 30, 2003. Submission Agreement of Respondent Samuel Douglas Cornell, III was signed on October 29, 2003.

CASE SUMMARY

Claimants' Statement of Claim alleges claims against Respondents for breach of contract, breach of fiduciary duty, negligence, unsuitability, securities fraud, common law fraud and violations of SRO rules. Claimants also allege that Respondent Smith Barney failed to supervise Koven and Cornell.

Respondents denied the allegations in the Statement of Claim and asserted several affirmative defenses to those allegations. Respondent Cornell asserted a counterclaim as to which Claimants filed a motion to dismiss.

RELIEF REQUESTED

Claimants requested an award in the amount of \$143,777.13 in compensatory damages, disgorgement of commissions and fees, interest, punitive damages, attorneys' fees and costs.

Respondents requested that the claims asserted against them be dismissed in their entirety and that they be awarded their attorneys' fees and costs. Respondents Koven and Cornell requested the expungement of all reference to the above-captioned arbitration from their registration records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

The parties advised NASD Dispute Resolution that they entered into an agreement to settle this matter on certain terms and conditions set forth in a confidential settlement agreement.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies. The parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

After considering the pleadings and the stipulation of the parties, but without making any findings of fact or conclusions of law, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination and find as follows:

1. Pursuant to the settlement agreement between the parties, all claims asserted in this matter are dismissed with prejudice.

2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondents Ed Koven's and S. Douglas Cornell'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, Respondents Koven and Cornell must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees, not specifically awarded or otherwise provided for above.

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
Counter claim/Cross claim/Third Party Claim filing fee	= \$250.00

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(s) is Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc.

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 Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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:

1	Pre-hearing session(s) with Panel	x	1,125.00	\$	1,125.00
	February 5, 2004	1	session		
	Total Forum Fees			\$	<u>1,125.00</u>

The Arbitration Panel has assessed \$375.00 of the forum fees to Elio and Gina Volta.

The Arbitration Panel has assessed \$375.00 of the forum fees jointly and severally to Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. and Edward A. Koven.

The Arbitration Panel has assessed \$375.00 of the forum fees to Samuel Douglas Cornell, III.

Fee Summary

Claimants, Elio and Gina Volta shall be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$	300.00
<u>Forum Fees</u>	= \$	<u>375.00</u>
Total Fees	= \$	675.00
<u>Less payments</u>	= \$	<u>-1,425.00</u>
Balance refunded by NASD Dispute Resolution	= \$	- 750.00

Respondent, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc., shall be and hereby is liable for:

Member Fees	= \$	5,200.00
Total Fees	= \$	<u>5,200.00</u>
<u>Less payments</u>	= \$	<u>-5,950.00</u>
Balance applied to fees below	= \$	- 375.00
Balance refunded by NASD Dispute Resolution		375.00

Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. and Edward A. Koven shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$	375.00
Total Fees	= \$	<u>375.00</u>
<u>Less payments</u>	= \$	<u>-375.00</u>
Balance Due NASD Dispute Resolution	= \$	0.00

Respondent Samuel Douglas Cornell, III shall be and hereby is liable for:

Counterclaim Filing Fee	= \$	250.00
<u>Forum Fees</u>	= \$	375.00
Total Fees	= \$	625.00
<u>Less payments</u>	= \$	-1,250.00
Balance refunded by NASD Dispute Resolution	= \$	625.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Neil G. Clem - Public Arbitrator, Presiding Chair
Jerome K. Altshuler - Public Arbitrator
James B. Kaiser - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Neil G. Clem
Neil G. Clem
Public Arbitrator, Presiding Chair

February 22, 2005
Signature Date

/s/ Jerome K. Altshuler
Jerome K. Altshuler
Public Arbitrator

February 17, 2005
Signature Date

/s/ James B. Kaiser
James B. Kaiser
Non-Public Arbitrator

February 21, 2005
Signature Date

Date of Service (For NASD office use only)

Respondent Samuel Douglas Cornell, III shall be and hereby is liable for:


Counterclaim Filing Fee	= \$	250.00
<u>Forum Fees</u>	= \$	375.00
Total Fees	= \$	625.00
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Balance refunded by NASD Dispute Resolution	= \$	625.00

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Jerome K. Altshuler - Public Arbitrator
James B. Kaiser - Non-Public Arbitrator

Concurring Arbitrators:



Neil G. Clem
Public Arbitrator, Presiding Chair

2/22/05

Signature Date

Jerome K. Altshuler
Public Arbitrator

Signature Date

James B. Kaiser
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chair

Signature Date



Jerome K. Altshuler
Public Arbitrator



Signature Date

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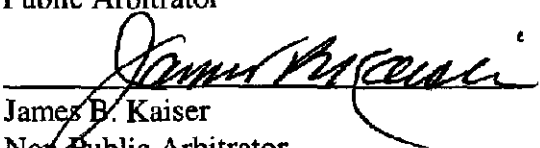
Concurring Arbitrators:

Neil G. Clem
Public Arbitrator, Presiding Chair

Signature Date

Jerome K. Altshuler
Public Arbitrator

Signature Date



James B. Kaiser
Non-Public Arbitrator

2/21/05

Signature Date

Date of Service (For NASD office use only)