

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

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In the Matter of the Arbitration Between:

Ellana A. Blau, Claimant v. Citigroup Global Markets Inc. a/k/a Salomon Smith Barney, Inc.,  
Ronald K. Phillips and W. Andrew Blick, Respondents

Case Number: 03-09137

Hearing Site: San Francisco, California

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

**REPRESENTATION OF PARTIES**

For Claimant:

Timothy A. Canning, Esq.  
Attorney At Law  
Novato, California

For Respondents:

Gordon C. Young, Esq.  
Atlantis Tillman Langowski, Esq.  
Keesal, Young & Logan  
San Francisco, California

**CASE INFORMATION**

Statement of Claim filed: December 29, 2003

Claimant's Uniform Submission Agreement signed: December 21, 2003

Joint Statement of Answer filed by Respondents Citigroup Global Markets Inc. a/k/a Salomon Smith Barney, Inc. ("CGMP"), Ronald K. Phillips and W. Andrew Blick: February 27, 2004

**CASE SUMMARY**

Claimant alleged that Respondents mishandled her accounts by recommending unsuitable securities. Specifically, Claimant asserted causes of action for fraud, negligence, breach of contract and breach of fiduciary duty. Claimant also alleged that the above-referenced dispute involves investments in Class B mutual funds, a variable annuity issued by the Hartford Insurance Company, a Pacific Life Annuity and ABN AMRO Capital Funding Trust stock.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses. Respondents specifically stated that they diligently serviced Claimant's accounts, kept Claimant well-informed of the performance of her account and made only suitable recommendations to Claimant.

### **RELIEF REQUESTED**

Claimant requested \$100,000.00 in compensatory damages, interest at 8% per annum, unspecified punitive damages, and costs.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety with prejudice, costs, and the expungement of all reference to the above captioned arbitration from Respondents Ronald K. Phillips' and W. Andrew Blick's registration records maintained by the NASD Central Registration Depository ("CRD").

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

Respondents CGMI, Ronald K. Phillips and W. Andrew Black did not file with NASD Dispute Resolution ("NASD-DR") properly executed submissions to arbitration but are required to submit to arbitration pursuant to the NASD-DR Code of Arbitration Procedure ("the Code") and, having answered Claimant's Claim, are bound by the determination of the Panel on all issues submitted.

On January 9, 2004 and January 12, 2004, Claimant and Claimant's 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.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On March 22, 2004, Claimant voluntarily dismissed with prejudice all claims against Respondent W. Andrew Blick.

On October 22, 2004, Claimant voluntarily dismissed with prejudice all claims against Respondent Ronald K. Phillips.

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

**STIPULATED DEMAND AND RECOMMENDATION OF EXPUNGEMENT**

The parties hereby stipulate that all claims asserted by the Claimant against Citigroup Global Markets Inc. a/k/a Salomon Smith Barney, Inc. have been resolved.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ronald K. Phillips' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Ronald K. Phillips must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent W. Andrew Blick's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent W. Andrew Blick must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

**AWARD**

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

1. The Panel notes the parties' stipulation that all claims asserted by the Claimant against Citigroup Global Markets Inc. a/k/a Salomon Smith Barney, Inc. have been resolved.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ronald K. Phillips' registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Ronald K. Phillips must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent W. Andrew Blick's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent W. Andrew Blick must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. Each party shall bear its own costs, including attorney's fees.
5. All other relief 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	= \$ 225.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm CGMI is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 1,700.00</u>
Total Member Fees	= \$ 3,550.00

**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:

2 Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$ 1,500.00
Pre-hearing conferences: June 1, 2004	1 session
April 14, 2005	1 session
<hr/> Total Forum Fees	<hr/> = \$ 1,500.00

1. The Panel assessed \$375.00 of the forum fees to Claimant.
2. The Panel assessed \$1,125.00 of the forum fees jointly and severally to Respondents CGMI, W. Andrew Blick and Ronald K. Phillips.

**Fee Summary**

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

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 600.00
Less payments	= \$( 1,425.00)
<b>Refund Due Claimant</b>	<b>= \$( 825.00)</b>

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

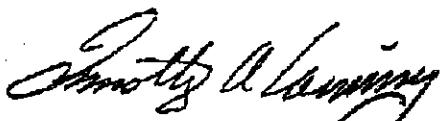
Member Fees	= \$ 3,550.00
Less payments	= \$( 3,550.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

3. Respondents CGMI, W. Andrew Blick and Ronald K. Phillips are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 1,125.00
Less payments	= \$( 0.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,125.00</b>

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.

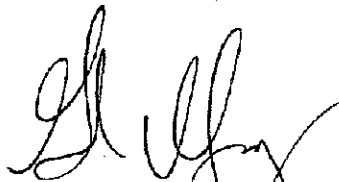
**Parties' Signatures**



Timothy A. Canning, Esq.  
Counsel for Ellana A. Blau, Claimant

4/28/05

Signature Date



Gordon C. Young, Esq.  
Atlantis Tillman Langowski, Esq.  
Counsel for Citigroup Global Markets Inc.  
a/k/a Salomon Smith Barney, Inc.,  
Respondent

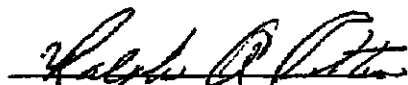
4/25/05

Signature Date

ARBITRATION PANEL

Ralph A. Cotton, CPA	-	Public Arbitrator, Presiding Chair
Amy Seltzer, Ph.D	-	Public Arbitrator
Carlos Richard Mangum	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

  
Ralph A. Cotton, CPA  
Chair, Public Arbitrator

5-28-05  
Signature Date

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Amy Seltzer, Ph.D  
Public Arbitrator

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

\_\_\_\_\_  
Carlos Richard Mangum  
Non-Public Arbitrator

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

6/14/05  
Date of Service


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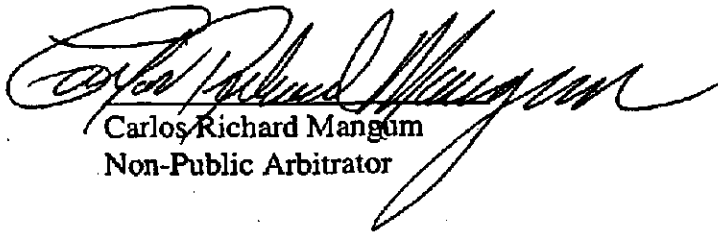
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