

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Joseph A. Critelli as custodian for Matthew Critelli (Claimant) v. Citigroup Global Markets, Inc.
and Dick Peer (Respondents)

Case Number: 03-09243

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Joseph A. Critelli as custodian for Matthew Critelli ("Critelli") hereinafter referred to as "Claimant": Steve Davis, Huntington, NY. Claimant previously appeared *pro se*.

Respondents Citigroup Global Markets, Inc. ("Citigroup") and Dick Peer ("Peer") hereinafter collectively referred to as "Respondents": Raul Sanchez, Esq., Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: December 29, 2003.

Claimant signed the Uniform Submission Agreement: January 27, 2004.

Joint Statement of Answer filed by Respondents on or about: April 13, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: March 23, 2004.

Respondent Peer signed the Uniform Submission Agreement: April 26, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: suitability and omission of fact. The causes of action relate to variable annuities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$65,180.31; punitive damages in the amount of \$195,540.93; and other costs in the amount of \$2,500.00.

Respondents requested that Claimant's Statement of Claim be, in all respects, dismissed; costs and expenses, including forum fees and all other costs; and that the NASD's Central Registration Depository ("CRD") record of Respondent Peer be expunged with respect to Claimant's claims.

OTHER ISSUES CONSIDERED AND DECIDED

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

1. Respondents are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$50,000.00.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Citigroup Global Markets, Inc. is a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: December 9, 2004 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00

Pre-hearing conference: July 12, 2004 1 session

Four (4) Hearing sessions @ \$1,125.00 = \$4,500.00

Hearing Dates: January 10, 2005 2 sessions
January 11, 2005 2 sessions

Total Forum Fees = \$6,075.00

1. The Panel has assessed \$6,075.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
Total Fees	= \$ 300.00
<u>Less payments</u>	= \$1,425.00
Refund Due Claimant	= \$1,125.00

2. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$6,075.00
Total Fees	= \$6,075.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$6,075.00

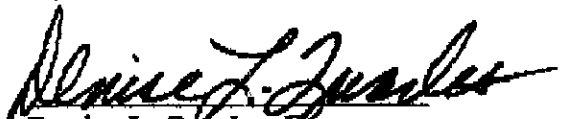
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Denise L. Quarles, Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard S. Carrey, Esq.	-	Public Arbitrator
John J. Duval, Sr.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.


Denise L. Quarles, Esq.
Public Arbitrator, Presiding Chairperson


Signature Date

Bernard S. Carrey, Esq.
Public Arbitrator

Signature Date

John J. Duval, Sr.
Non-Public Arbitrator

Signature Date

February 24, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Denise L. Quarles, Esq.	-	Public Arbitrator, Presiding Chairperson
Bernard S. Carrey, Esq.	-	Public Arbitrator
John J. Duval, Sr.	-	Non-Public Arbitrator

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Denise L. Quarles, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Bernard S. Carrey, Esq.
Public Arbitrator

February 22, 2005

Signature Date

John J. Duval, Sr.
Non-Public Arbitrator

Signature Date

February 24, 2005

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Denise L. Quarles, Esq.	-	Public Arbitrator, Presiding Chairperson
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Denise L. Quarles, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Bernard S. Carrey, Esq.
Public Arbitrator

Signature Date


John J. Duval, Sr.
Non-Public Arbitrator

223-05
Signature Date

February 24, 2005
Date of Service (For NASD Dispute Resolution use only)