

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

D. H. Kauffman Jokl (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Donald Ackerman (Respondents)

Case Number: 04-00154

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant D. H. Kauffman Jokl ("Jokl") hereinafter referred to as "Claimant": Steven G. Storch, Esq., Storch Amini & Munves, P.C., New York, NY.

Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Donald Ackerman ("Ackerman") hereinafter collectively referred to as "Respondents": Jonathan C. Thau, Esq., Luboja & Thau, LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: January 8, 2004.

Amended Statement of Claim filed on or about: December 14, 2004.

Claimant signed the Uniform Submission Agreement: January 9, 2004.

Joint Statement of Answer filed by Respondents on or about: March 19, 2004.

Joint Response to Claimant's Amended Statement of Claim filed by Respondents on or about: February 8, 2005.

Respondent Citigroup did not sign the Uniform Submission Agreement.

Respondent Ackerman did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: fraud; fraud on the market; negligence and/or recklessness; constructive fraud; breach of contract; control person liability; respondeat superior liability; and breach of fiduciary duty. The causes of action relate to shares of Kmart Corp., AT&T Wireless Services, and AT&T Corp.

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 \$1,500,000.00; pre-award interest from the date of opening the accounts to the date of the decision; reasonable costs and disbursements, including attorneys' fees, expert fees, and forum fees; punitive damages in the amount of \$1,500,000.00; and such other and further relief as the Panel may deem appropriate.

Respondents requested that the claim be dismissed entirely and that the costs of this proceeding be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

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 \$39,700.00.
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	= \$500.00
--------------------------	------------

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. f/k/a Salomon Smith Barney, Inc. is a party.

Member surcharge	= \$2,800.00
------------------	--------------

Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 10, 2005, adjournment by Claimant	= \$1,200.00
---	--------------

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:

Two (2) Pre-hearing sessions with Panel @ \$1,200.00	= \$2,400.00
Pre-hearing conferences:	
July 13, 2004	1 session
January 31, 2005	1 session

Four (4) Hearing sessions @ \$1,200.00	= \$4,800.00
Hearing Dates:	
February 17, 2005	1 session
March 3, 2005	1 session
March 15, 2005	2 sessions

Total Forum Fees	= \$7,200.00
------------------	--------------

1. The Panel has assessed \$3,600.00 of the forum fees against Claimant.
2. The Panel has assessed \$3,600.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 500.00
Adjournment Fee	= \$ 1,200.00
<u>Forum Fees</u>	= \$ 3,600.00
Total Fees	= \$ 5,300.00
<u>Less payments</u>	= \$ 1,700.00
Balance Due NASD Dispute Resolution	= \$ 3,600.00

2. Respondent Citigroup is solely liable for:

Member Fees	= \$ 8,550.00
Total Fees	= \$ 8,550.00
<u>Less payments</u>	= \$14,950.00
Refund Due Citigroup	= \$ 6,400.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$3,600.00
<u>Total Fees</u>	= \$3,600.00
<u>Less payments</u>	= \$3,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

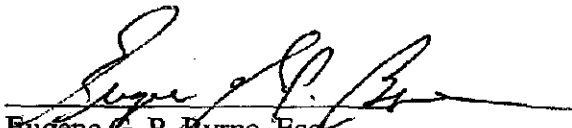
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Eugene G. P. Byrne, Esq.	-	Public Arbitrator, Presiding Chairperson
Samuel B. Folsom	-	Public Arbitrator
Matthew Loguerico	-	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.


Eugene G. P. Byrne, Esq.
Public Arbitrator, Presiding Chairperson

3/22/05
Signature Date

Samuel B. Folsom
Public Arbitrator

Signature Date

Matthew Loguerico
Non-Public Arbitrator

Signature Date

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

ARBITRATION PANEL

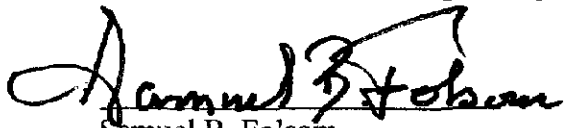
Eugene G. P. Byrne, Esq.	-	Public Arbitrator, Presiding Chairperson
Samuel B. Folsom	-	Public Arbitrator
Matthew Loguerico	-	Non-Public Arbitrator

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.

Eugene G. P. Byrne, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Samuel B. Folsom
Public Arbitrator


Signature Date

Matthew Loguerico
Non-Public Arbitrator

Signature Date

March 24, 2005

Date of Service (For NASD Dispute Resolution use only)