

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant

Kenneth C. Vass

Case Number: 04-00159

Names of the Respondents

Salomon Smith Barney, Inc. n/k/a
Citigroup Global Markets, Inc.,
Jack Grubman, and
Ronald Murad

Hearing Site: Pittsburgh, PA

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

REPRESENTATION OF PARTIES

Claimant, Kenneth C. Vass, hereinafter referred to as "Claimant", was represented by James R. Fox, Esq., Farmer, Cline & Arnold, PLLC, Charleston, West Virginia.

Respondents, Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. ("Citigroup"), Jack Grubman ("Grubman"), and Ronald Murad ("Murad"), hereinafter collectively referred to as "Respondents", were represented by Brian F. Amery, Esq., Bressler, Amery & Ross, P.C., New York, New York.

CASE INFORMATION

Statement of Claim filed on January 12, 2004.

Claimant signed the Uniform Submission Agreement on January 7, 2004.

Statement of Answer filed by Respondents on March 24, 2004.

A representative of Respondent Citigroup signed the Uniform Submission Agreement on January 29, 2004.

Respondent Grubman signed the Uniform Submission Agreement on February 7, 2004.

Respondent Murad signed the Uniform Submission Agreement on April 28, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; breach of contract; fraud; violations of West Virginia Code §§ 32-4-410 and 46A-101, et seq.; and breach of fiduciary duty. The causes of action relate to the purchase and sale of the following stocks:

Unless specifically admitted in their Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses among others: failure to state a claim upon which relief may be granted; laches, waiver, ratification and estoppel; and, failure to mitigate.

RELIEF REQUESTED

Claimant requested the following damages:

| | |
|----------------------|--------------------|
| Compensatory Damages | \$200,000.00 |
| Interest | unspecified amount |
| Attorneys' Fees | unspecified amount |
| Other Costs | unspecified amount |
| Punitive Damages | unspecified amount |

Respondents requested that the Statement of Claim be dismissed with prejudice and that the costs associated with the arbitration be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Grubman and Murad were dismissed with prejudice on March 21, 2005. Claimant and Respondent Citigroup fully and finally settled all claims by and between them. Therefore, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Murad'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, Respondent Murad must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein is denied in its entirety.

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 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:

February 14-17, 2005, adjournment requested by Claimant = \$1,125.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: December 20, 2004 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00
Pre-hearing conference: July 27, 2004 1 session

Total Forum Fees = \$1,575.00

1. The Panel has assessed \$787.50 of the forum fees to Claimant.
2. The Panel has assessed jointly and severally \$787.50 of the forum fees to Respondents.

Fee Summary

1. Claimant is assessed and shall pay:

| | |
|---|---------------------|
| Initial Filing Fee | = \$ 300.00 |
| Adjournment Fee | = \$1,125.00 |
| Forum Fees | = \$ 787.50 |
| <u>Retained Hearing Session Deposit</u> | <u>= \$ 337.50</u> |
| Total Fees | = \$2,550.00 |
| <u>Less payments</u> | <u>= \$2,550.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

2. Respondent Citigroup is assessed and shall pay:

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

3. Respondents are jointly and severally assessed and shall pay:

| | |
|-------------------------------------|-------------|
| Forum Fees | = \$ 787.50 |
| Total Fees | = \$ 787.50 |
| Less payments | = \$ 0.00 |
| Balance Due NASD Dispute Resolution | = \$ 787.50 |

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

ARBITRATION PANEL

| | | |
|------------------------|---|--|
| Beth Rackley Hesselton | - | Public Arbitrator, Presiding Chairperson |
| James J. Puhala, Esq. | - | Public Arbitrator, Panelist |
| Michael D. Neft | - | Non-Public Arbitrator, Panelist |

Concurring Arbitrators' Signatures


Beth Rackley Hesselton
Public Arbitrator, Presiding Chairperson

5-5-05
Date

James J. Puhala, Esq.
Public Arbitrator, Panelist

Date

Michael D. Neft
Non-Public Arbitrator, Panelist

Date

May 9, 2005
Date of Service (For NASD Dispute Resolution office use only)

3. Respondents are jointly and severally assessed and shall pay:

| | |
|-------------------------------------|-------------|
| Forum Fees | = \$ 787.50 |
| Total Fees | = \$ 787.50 |
| Less payments | = \$ 0.00 |
| Balance Due NASD Dispute Resolution | = \$ 787.50 |

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ARBITRATION PANEL

Beth Rackley Hesselson
James J. Puhala, Esq.
Michael D. Neft

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Beth Rackley Hesselson
Public Arbitrator, Presiding Chairperson

Date



James J. Puhala, Esq.
Public Arbitrator, Panelist

4/28/2005
Date

Michael D. Neft
Non-Public Arbitrator, Panelist

Date

May 9, 2005
Date of Service (For NASD Dispute Resolution office use only)

3. Respondents are jointly and severally assessed and shall pay:

| | |
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| Less payments | = \$ 0.00 |
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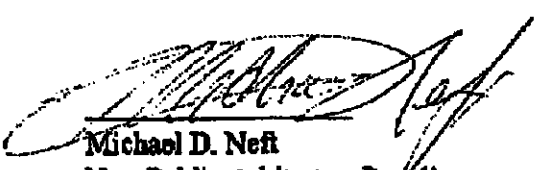
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Beth Rackley Hesselson
Public Arbitrator, Presiding Chairperson

Date

James J. Puhala, Esq.
Public Arbitrator, Panelist

Date



Michael D. Neft
Non-Public Arbitrator, Panelist

Date

May 9, 2005
Date of Service (For NASD Dispute Resolution office use only)