

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 04-00309

Eleanor Giroux n/k/a
Eleanor Giroux Erickson,
Trustee FBO Eleanor Giroux
u/a/d 03/15/96,

Names of the Respondents

Hearing Site: Tampa, Florida

Citigroup Global Markets, Inc.,
f/k/a Salomon Smith Barney, Inc., CRD #7059;
Richard M. Stern, CRD #825096;
William James, CRD #1249254

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

REPRESENTATION OF PARTIES

For Eleanor Giroux n/k/a Eleanor Giroux Erickson Trustee FBO Eleanor Giroux u/a/d 03/15/96, ("Giroux"), hereinafter referred to as "Claimant": James D. Keeney, Esq., James D. Keeney, P.A., Sarasota, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. CRD #7059, ("Citigroup"), Richard M. Stern CRD #825096 ("Stern") CRD and William James CRD #1249254 ("James"), hereinafter collectively referred to as "Respondents": Frederick S. Schriels, Esq., and Colleen M. Fitzgerald, Esq., Gray Robinson, P.A., Tampa, Florida.

CASE INFORMATION

Statement of Claim filed on or about: January 15, 2004.

Claimant signed the Uniform Submission Agreement: July 22, 2003.

Statement of Answer filed by Respondents on or about: March 12, 2004.

Respondent Stern signed the Uniform Submission Agreement: March 24, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: March 5, 2004.

Respondent James signed the Uniform Submission Agreement: March 28, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: violations of industry rules and regulations; unauthorized sales of securities; unsuitable purchases of securities; unsuitable variable annuity purchase; common law gross negligence and/or ordinary negligence; breach of fiduciary duty; failure to properly supervise; and respondeat superior. The causes of action relate to the purchase in Claimant's account of a variable annuity from Glenbrook Life Insurance Company.

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 statutory rescission damages in the amount of \$164,034.80; disgorgement of all commissions, charges, fees, expenses plus legal interest paid; reimbursement of all commissions, fees, taxes, surrender charges and penalties paid or owing; all of Claimant's costs, expenses and disbursements; full reimbursement of all filing and forum fees; reasonable attorney's fees with such amount to be determined by a court of competent jurisdiction in a confirmation proceeding following rendition of the Award by the panel in this matter; other compensatory damages in excess of \$15,000.00, plus post-award interest thereon at the legal rate; pre-award and post award interest; and such other and further relief, including but not limited to punitive and exemplary damages, as deemed just and proper.

Respondents requested that Claimant's claims be dismissed, with prejudice, and an award of attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On August 11, 2004, the parties filed with NASD Dispute Resolution a notice of settlement and jointly requested a stipulated award from the Panel which contained an order of expungement of Respondent James' registration records based on the standards in Rule 2130.

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

AWARD

After considering the pleadings and the proposed Stipulated Award submitted by the parties, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends that all references to the above-captioned arbitration be expunged from Respondent James' 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 James must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Citigroup is a member firm and a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,750.00</u>
Total Member Fees	= \$5,200.00

Adjournment Fees

No adjournment fees were assessed in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

No injunctive relief fees were assessed in this matter.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

No three-day cancellation fees were assessed in this matter.

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 the Panel @ \$1,125.00 /session	= \$1,125.00
Pre-hearing conference: June 4, 2004	1 session
<u>Total Forum Fees</u>	<u>= \$1,125.00</u>

The Panel has assessed forum fees of \$562.50 to Claimant.

The Panel has assessed forum fees of \$562.50 jointly and severally to Respondents Citigroup and Stern.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less Payments</u>	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

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

Respondents Citigroup and Stern are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 562.50
<u>Less Payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Concurring Arbitrators' Signatures

_____/S/_____
Arthur R. Louv
Public Arbitrator, Presiding Chairperson

Signature Date

_____/S/_____
Thomas F. Icard, Jr.
Public Arbitrator

Signature Date

_____/S/_____
Mark M. Mercier
Non-Public Arbitrator

Signature Date

March 22, 2005
Date of Service (For NASD Dispute Resolution office use only)

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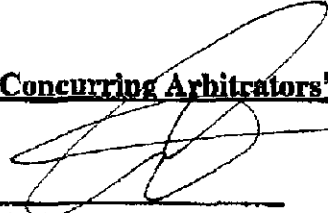
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ARBITRATION PANEL

Concurring Arbitrators' Signatures


Arthur R. Louv
Public Arbitrator, Presiding Chairperson

November 15, 2004
Signature Date

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Thomas F. Icard, Jr.
Public Arbitrator

12/3/04

Signature Date

Mark M. Mercier
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)

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Thomas F. Icard, Jr.
Public Arbitrator

Signature Date



Mark M. Mercier
Non-Public Arbitrator

11-16-2004

Signature Date

Date of Service (For NASD Dispute Resolution office use only)