

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Mary Lasagna-Schnapp, individually and as TTEE Schnapp Survivors Trust, dtd 8/5/88, and
TTEE fbo The Schnapp Trust U/A/D 8/5/88, Claimants v. Smith Barney Citigroup, a division
of Citigroup Global Markets, Inc., and Patrick Spooner, Respondents

Case Number: 04-01084

Hearing Site: San Francisco, California

Nature of the Dispute: Customers v. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimants:

Michael G. Bolgatz, Esq.
The Law Offices of Michael
G. Bolgatz
Berkeley, California

For Respondents:

Peter R. Boutin, Esq.
Christopher A. Stecher, Esq.
Keesal, Young and Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: February 18, 2004

Claimants' Joint Uniform Submission Agreement signed: not dated

Joint Statement of Answer filed by Respondents: April 23, 2004

Respondent Smith Barney Citigroup, a division of Citigroup Global Markets, Inc.'s Uniform
Submission Agreement signed: May 3, 2004

Respondent Patrick Spooner's Uniform Submission Agreement signed: April 30, 2004

CASE SUMMARY

Claimants alleged common law fraud, breach of fiduciary duty, negligent failure to supervise, and negligence. Claimants' allegations involved various unspecified securities.

Respondents denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested at least \$3.5 million in compensatory damages, unspecified punitive damages, interest and costs.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, expungement of this matter from Respondent Patrick Spooner's CRD records, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On May 6, 2004, Claimants and Claimants' 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.

On April 23, 2004, Respondents' counsel signed a Waiver Agreement on Respondents' behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

STIPULATED DEMAND AND RECOMMENDATION OF EXPUNGEMENT

It is hereby stipulated by Claimants and Respondents, through their undersigned attorneys, that:

1. All of Claimants' claims asserted against all Respondents are hereby dismissed with prejudice; and
2. Claimants do not object to the panel rendering the following award:

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Patrick Spooner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Patrick Spooner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

AWARD

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

- 1) Claimants' claims are dismissed with prejudice as to all Respondents.
- 2) The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Patrick Spooner's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Patrick Spooner must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure, 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 = \$ 600.00

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 that gave rise to the dispute, claim, or controversy. Accordingly, the member Smith Barney Citigroup, a division of Citigroup Global Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$5,000.00
Total Member Fees	= \$8,550.00

Adjournment Fees

The following adjournment fees are assessed:

July 18-22, 2005, Hearings adjournment requested by the parties = \$1,200.00

1. The Panel assessed \$600.00 of the adjournment fee jointly and severally to Claimants.
2. The Panel assessed \$600.00 of the adjournment fee jointly and severally to Respondents.

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 or the parties and the Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with a single arbitrator @ \$450.00/session = \$ 900.00

Pre-hearing conferences:	June 14, 2005	1 session
	June 24, 2005	1 session

(1) Pre-hearing conference session with the Panel @ \$1,200.00/session = \$1,200.00

Pre-hearing conference:	September 22, 2004	1 session
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Total Forum Fees = **\$2,100.00**

1. Claimants agreed to pay \$1,050.00 of the forum fees.
2. Respondents agreed to pay \$1,050.00 of the forum fees.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 1,050.00</u>
Total Fees	= \$ 2,250.00
<u>Less payments</u>	<u>=(1,800.00)</u>
Balance Due NASD Dispute Resolution	= \$ 450.00

2. Respondent Smith Barney Citigroup, a division of Citigroup Global Markets, Inc. is charged with the following fees and costs:

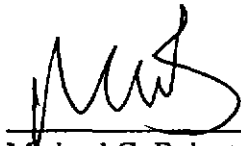
Member Fees	= \$ 8,550.00
<u>Less payments</u>	<u>=(8,550.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Smith Barney Citigroup, a division of Citigroup Global Markets, Inc. and Patrick Spooner are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 1,050.00</u>
Total Fees	= \$ 1,650.00
<u>Less payments</u>	<u>= \$ (600.00)</u>
Balance Due NASD Dispute Resolution	= \$ 1,050.00

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.

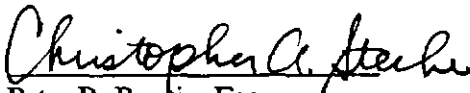
Parties' Signatures



Michael G. Bolgatz, Esq.
Claimants' Counsel

11.16.05

Signature Date



Peter R. Boutin, Esq.
Christopher A. Stecher, Esq.
Respondents' Counsel

11.21.05

Signature Date

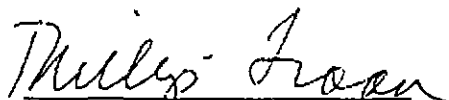
ARBITRATION PANEL

Isidoro Berkman	-	Public Arbitrator, Presiding Chair
Phillip Trapp	-	Public Arbitrator
Donald E. Berryman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Isidoro Berkman
Chair, Public Arbitrator

Signature Date



Phillip Trapp
Public Arbitrator

11-30-2005

Signature Date

Donald E. Berryman
Non-Public Arbitrator

Signature Date

12/5/05

Date of Service

ARBITRATION PANEL

Isidoro Berkman	-	Public Arbitrator, Presiding Chair
Phillip Trapp	-	Public Arbitrator
Donald E. Berryman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Isidoro Berkman
Chair, Public Arbitrator

Signature Date

Phillip Trapp
Public Arbitrator

Signature Date



Donald E. Berryman
Non-Public Arbitrator

12-2-05

Signature Date

12/5/05

Date of Service