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**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Name of the Claimant  
Joyce Hyers

Case Number: 04-01283

Names of the Respondents  
Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc  
Carol Ann Hanlon

Hearing Site: Atlanta, Georgia

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

**REPRESENTATION OF PARTIES**

For Joyce Hyers, hereinafter referred to as "Claimant": Pat H. Huddleston, II, Esq., Huddleston & Nohr, Marietta, Georgia.

For Respondent Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc ("Citigroup") G. Wayne Hillis, Jr., Esq. and Cinnamon V. Davis, Esq., Parker, Hudson, Rainer & Dobbs, LLP, Atlanta, Georgia.

For Respondent Carol Ann Hanlon ("Hanlon"): Debra A. Jenks, Esq., Dobin & Jenks, LLP, Jupiter, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: February 26, 2004.

Claimant signed the Uniform Submission Agreement: October 16, 2003.

Statement of Answer jointly filed by Respondents Citigroup and Hanlon on or about: May 7, 2004.

Respondent Hanlon signed the Uniform Submission Agreement: June 9, 2004.

Motion to Amend Answer jointly filed by Respondents Citigroup and Hanlon on or about: February 7, 2005.

Response to Respondents' Motion to Amend Answer filed by Claimant on or about: February 24, 2005.

Respondent Citigroup did not file an executed Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: violations of federal and Georgia securities laws, 15 U.S.C § 78j(b), 17 C.F.R. 240.10b-5 and O.G.C.A. § 10 -5-12; churning; unsuitability; breach of fiduciary duty; negligent misrepresentation and omission; and, failure to supervise. The causes of action relate to the purchase of unspecified high tech and dot com stocks in Claimant's account as well as Claimant's investment in a variable annuity and life insurance policy.

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

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$150,000.00, plus interest, an unspecified amount of punitive damages, disgorgement of excessive commissions, attorneys' fees, tax losses and costs.

Respondents Citigroup and Hanlon requested that Claimant's Statement of Claim be denied in its entirety and that Respondents be awarded all other relief to which they may be entitled, including costs and reasonable attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Citigroup did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about March 4, 2005, the Panel issued an order granting Respondents Citigroup and Hanlon's joint motion to amend their answer to assert the defense that Claimant's claims are barred in whole or in part by Rule 10304 of the NASD Code of Arbitration Procedure. In addition, the Panel issued an order granting Claimant's request to amend her Statement of Claim to include requests for the recovery of litigation expenses and attorneys' fees pursuant to Respondents' amended answer.

On or about April 1, 2005, Claimant notified NASD Dispute Resolution that this matter had been settled and that a proposed Stipulated Award was forthcoming.

On or about April 11, 2005, the parties filed a proposed Stipulated Award asserting that all claims against Respondents Citigroup and Hanlon had been dismissed with prejudice and requesting that the Panel enter the Stipulated Award expunging this matter from the NASD Central Registration Depository ("CRD") records of Respondent Hanlon.

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

### **AWARD**

After considering the pleadings, the proposed Stipulated Award, the record in this matter and pursuant to the parties' agreement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims against Respondents Citigroup and Hanlon are hereby dismissed with prejudice.
2. The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Hanlon's registration records maintained by the NASD CRD, with the understanding that pursuant to the NASD Notices to Members 99-09 and 99-54, Respondent Hanlon must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.
3. Any and all relief not specifically addressed herein is denied with prejudice.

### **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
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#### **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. In this matter, the member firm Citigroup Global Markets, Inc. is 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**

Adjournments granted during these proceedings for which fees were assessed:

No adjournments were requested 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 incurred 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 incurred 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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Three (3) Pre-hearing sessions with the Panel @ \$1,125.00	= \$3,375.00
Pre-hearing conferences: July 23, 2004	1 session
August 10, 2004	1 session
August 27, 2004	1 session

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Total Forum Fees	= \$3,375.00
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The Panel has assessed \$1,125.00 of the forum fees to Claimant.

The Panel has assessed \$1,125.00 of the forum fees to Respondent Citigroup.

The Panel waived forum fees in the amount of \$1125.00.

**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.

No administrative costs were incurred in this matter.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Citigroup is solely liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 6,325.00
<u>Less payments</u>	<u>= \$ 5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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

**ARBITRATION PANEL**

Lawrence M. Oberdank, Esq.	-	Public Arbitrator, Presiding Chairperson
John E. Meador, Jr.	-	Public Arbitrator
Marian Cover Dockery, Esq.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/

4/19/05

Lawrence M. Oberdank, Esq.  
Public Arbitrator, Presiding Chairperson

Signature Date

/s/

4/19/05

John E. Meador, Jr.  
Public Arbitrator

Signature Date

/s/

4/21/05

Marian Cover Dockery, Esq.  
Non-Public Arbitrator

Signature Date

4/25/2005

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

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 Arbitration No. 04-01283  
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Respondent, Citigroup is solely liable for:

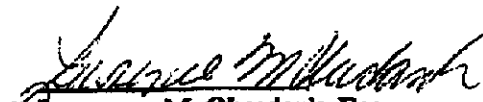
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John E. Meador, Jr.	-	Public Arbitrator
Marian Cover Dockery, Esq.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
 Lawrence M. Oberdank, Esq.  
 Public Arbitrator, Presiding Chairperson

April 19, 2005  
 Signature Date

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 John E. Meador, Jr.  
 Public Arbitrator

\_\_\_\_\_  
 Signature Date

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 Marian Cover Dockery, Esq.  
 Non-Public Arbitrator

\_\_\_\_\_  
 Signature Date

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Arbitration No. 04-01283  
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Marian Cover Dockery, Esq.	-	Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

Signature Date

  
John E. Meador, Jr.  
Public Arbitrator

4/19/05  
Signature Date

Marian Cover Dockery, Esq.  
Non-Public Arbitrator

Signature Date

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John E. Meador, Jr.	-	Public Arbitrator
Marian Cover Dockery, Esq.	-	Non-Public Arbitrator

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Lawrence M. Oberdank, Esq.  
Public Arbitrator, Presiding Chairperson

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Signature Date

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John E. Meador, Jr.  
Public Arbitrator

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Marian Cover Dockery, Esq.  
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