

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

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In the Matter of the Arbitration Between:

Name of the Claimant

Nancy Tracey

Case Number: 04-01396

Names of the Respondents

Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.  
Marie Van Deusen

Hearing Site: Baltimore, MD

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

REPRESENTATION OF PARTIES

Claimant, Nancy Tracey ("Claimant"), was represented by Matthew D. Pardy, Esq., Kim, Smith and Pardy, P.A., Orlando, Florida.

Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup"), and Marie Van Deusen ("Van Deusen"), hereinafter collectively referred to as "Respondents", were represented by Jennifer M. Blunt, Esq., Kutak Rock, LLP, Washington, D.C.

CASE INFORMATION

Statement of Claim filed on February 20, 2004.

Claimant signed the Uniform Submission Agreement on March 31, 2003.

Statement of Answer filed by Respondents on April 23, 2004.

Respondent Van Deusen signed the Uniform Submission Agreement on March 26, 2004.

A representative of Respondent Citigroup executed the Uniform Submission Agreement on April 23, 2004.

CASE SUMMARY

Claimant asserted the following causes of action, among others: suitability, breach of fiduciary duty, violation of Section 10(b) of the Exchange Act and 10B-5 promulgated thereunder, failure to supervise, *respondeat superior*, violations of SRO rules, negligence, breach of contract, and omissions/misrepresentations. The causes of action relate to the investment of Claimant's funds in various unspecified mutual funds and investment trusts

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim for which relief can be granted; Claimant authorized, approved of and/or ratified all transactions claimed of; statutes of limitations; Claimant is barred from recovery by the doctrines of laches, waiver and estoppel; failure to mitigate losses; and assumption of the risk.

### RELIEF REQUESTED

Claimant in her Statement of Claim requested:

Compensatory Damages	\$139,421.77
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Claimant also requested disgorgement of all commissions, fees and other charges paid to Respondents.

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed, that all mention of this arbitration be expunged from Respondent Van Deusen's registration records maintained by NASD Central Registration Depository ("CRD"), and that all costs be assessed against Claimant.

### OTHER ISSUES CONSIDERED AND DECIDED

On May 18, 2005 the parties advised NASD Dispute Resolution that they had entered into a settlement agreement resolving all issues of this arbitration. Accordingly, the parties request that the matter be dismissed.

The parties have agreed that the Stipulated 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 upon the parties' joint request, the Arbitration Panel (the "Panel") has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant and Respondents have entered into a settlement agreement and, having stipulated and agreed to dismiss all claims against Respondents, said claims are hereby dismissed. This does not represent adjudication on the merits, but rather reflects the parties' agreement;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Van Deusen'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 Van Deusen must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. All claims for punitive damages and attorneys' fees are denied in their entirety;

4. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
5. 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 firms that employed the associated person(s) 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
Total Member Fees	= \$5,200.00

##### Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

March 22-24, 2005 adjournment requested by all parties fee waived

##### 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 @ \$1,125.00	= \$1,125.00
Pre-hearing conference: September 7, 2004 1 session	
Total Forum Fees	= \$1,125.00

1. The Panel has assessed \$375.00 of the forum fees to Claimant.
2. The Panel has assessed \$375.00 of the forum fees to Respondent Citigroup.
3. The Panel has assessed \$375.00 of the forum fees to Respondent Van Deusen.

FEES SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$ 650.00
<u>Less payments</u>	<u>= \$1,425.00</u>
Refund Due Claimant	= \$ 750.00

2. Respondent Citigroup is assessed and shall pay the following fees:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$5,575.00
<u>Less payments</u>	<u>= \$7,950.00</u>
Balance Returned to CRD account	= \$2,375.00

3. Respondent Van Deusen is assessed and shall pay the following fees:

<u>Forum Fees</u>	<u>= \$ 375.00</u>
Total Fees	= \$ 375.00
<u>Less payments</u>	<u>= \$ 00.00</u>
Balance Due NASD Dispute Resolution	= \$ 375.00

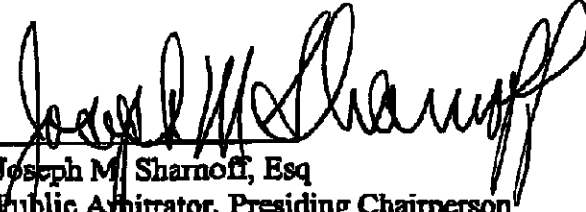
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Joseph M. Sharnoff, Esq.	-	Public Arbitrator, Presiding
Marvin Elster, Esq.	-	Public Arbitrator, Panelist
Victor H. Dates, J.D.	-	Non-Public Arbitrator, Panelist

NASD Dispute Resolution  
Arbitration No. 04-01396  
Stipulated Award Page 5

Concurring Arbitrators' Signatures

  
\_\_\_\_\_  
Joseph M. Sharnoff, Esq  
Public Arbitrator, Presiding Chairperson

7/20/05  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Marvin Elster, Esq.  
Public Arbitrator, Panelist

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

\_\_\_\_\_  
Victor H. Dates, J.D  
Non-Public Arbitrator, Panelist

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

July 29, 2005  
\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution office use only)

FROM: MARVIN ELSTER

FAX NO. : 301 200 8002

Jul. 20 2005 12:01PM P1

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NASD DISPUTE RESOLUTION

07/18/2005 12:08 FAX 202 720 8002


07-20-05004:11 RCDV

NASD Dispute Resolution  
Arbitration No. 04-01396  
Stipulated Award Page 5

Concerning Arbitrators' Signatures

\_\_\_\_\_  
Joseph M. Sharnoff, Esq.  
Public Arbitrator, Presiding Chairperson

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

  
\_\_\_\_\_  
Marvin Elster, Esq.  
Public Arbitrator, Panelist

July 20, 2005  
\_\_\_\_\_  
Signature Date

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Victor H. Dates, J.D.  
Non-Public Arbitrator, Panelist

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07/20/2005

NASD Dispute Resolution  
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Public Arbitrator, Presiding Chairperson

Signature Date

Marvin Elster, Esq.  
Public Arbitrator, Panelist

Signature Date

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Victor H. Dates, J.D.  
Non-Public Arbitrator, Panelist

July 20, 2005

Signature Date

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