

**STIPULATED AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Claimant

Bernadine A. Williams

and

Case Number: 04-01439  
Hearing Site: Detroit, Michigan

Respondents

Citigroup Global Markets, Inc.  
f/k/a Salomon Smith Barney Inc., and  
Jason A. Horowitz

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**NATURE OF CASE**

Customer v. Member and Associated Person

**REPRESENTATION OF PARTIES**

Bernadine A. Williams ("Claimant") was represented by Robert L. Hindelang, Esq., Robert L. Hindelang, P.C., Grosse Pointe Farms, Michigan.

Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc. ("Citigroup") and Jason A. Horowitz ("Horowitz"), hereinafter collectively referred to as "Respondents," were represented by W. Scott Turnbull, Esq., Miller Canfield Paddock & Stone, PLC, Detroit, Michigan.

**CASE INFORMATION**

The Statement of Claim was filed on or about March 3, 2004. The Submission Agreement of Claimant was signed on or about February 24, 2004.

The Statement of Answer was filed jointly by Citigroup and Horowitz on or about June 14, 2004. The Submission Agreement of Citigroup was signed on or about June 10, 2004.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract; breach of fiduciary duty; failure to supervise; unsuitability of investments; negligence; misrepresentation; and omission of facts. The causes of action related to the allegedly unsuitable recommendations of unspecified securities made by Respondent Horowitz on behalf of Claimant.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim fails to state a claim upon which relief can be granted; Claimant directed and authorized all of the transactions in the accounts and is therefore estopped from bringing this action and from obtaining recovery; and Claimant failed to mitigate damages.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$750,000.00
Punitive Damages	\$15,000,000.00
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondent Horowitz also requested that all reference to this matter be expunged from his registration records maintained by NASD Central Registration Depository ("CRD").

### **OTHER ISSUES CONSIDERED & DECIDED**

Respondent Jason A. Horowitz did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim is bound by the determination of the arbitration panel on all issues submitted.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

### **AWARD**

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1.) Claimant's claims, having been withdrawn, are dismissed with prejudice;
- 2.) Other than Forum Fees, which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;

- 3.) The panel recommends the expungement of all reference to the above captioned arbitration from Respondent Jason A. Horowitz's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Jason A. Horowitz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
- 4.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby dismissed with prejudice.

### **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 = \$ 600.00

#### **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. In this matter, the member firm is Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney Inc.

Member surcharge = \$ 3,750.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 5,500.00

#### **Adjournment Fees**

Adjournments requested during these proceedings:

June 21-23, 2005, adjournment requested jointly = \$ 1,200.00

#### **Forum Fees and Assessments**

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 Panel x \$1,200.00	= \$ 1,200.00
Pre-hearing conference: October 7, 2004	1 session
Total Forum Fees	= \$ 1,200.00

Pursuant to NASD Code of Arbitration Procedure Rule 10332(f), Claimant's Hearing Session Deposit of \$1,200.00 is retained by NASD.

The Arbitration Panel has assessed \$600.00 of the forum fees jointly and severally to Respondents.

### FEE SUMMARY

Claimant, Bernadine A. Williams, is liable for:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 1,200.00
Total Fees	= \$ 2,400.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 600.00

Respondent, Citigroup, is liable for:

Member Fees	= \$10,000.00
Total Fees	= \$10,000.00
Less payments	= \$10,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, Citigroup and Horowitz, are jointly and severally liable for:

Forum Fees	= \$ 600.00
Adjournment Fee	= \$ 600.00
Total Fees	= \$ 1,200.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,200.00

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

**ARBITRATION PANEL**

Stewart C.W. Weiner, Esq. - Public Arbitrator, Presiding Chair  
John P. Gouttiere, Esq. - Public Arbitrator  
Matthew Scott Brown - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Stewart C.W. Weiner, Esq.  
Stewart C.W. Weiner, Esq.  
Public Arbitrator, Presiding Chair

08/25/05  
Signature Date

/s/ John P. Gouttiere, Esq.  
John P. Gouttiere, Esq.  
Public Arbitrator

08/25/05  
Signature Date

/s/ Matthew Scott Brown  
Matthew Scott Brown  
Non-Public Arbitrator

08/25/05  
Signature Date

08/25/05  
Date of Service (For NASD office use only)

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Matthew Scott Brown - Non-Public Arbitrator

Co-Arbitrators:



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Signature Date

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Public Arbitrator

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