

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

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In the Matter of the Arbitration Between:

Betty Anne Buchanan on behalf of the Betty Anne Buchanan IRA and as trustee for The Enoch & Betty Buchanan Revocable Trust, Claimants v. Citigroup Global Markets, Inc., Respondent

Case Number: 04-02123

Hearing Site: Los Angeles, California

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Nature of the Dispute: Customers v. Member

**REPRESENTATION OF PARTIES**

For Claimants:

William P. Torngren, Esq.  
Law Offices of William P. Torngren  
Sacramento, California

For Respondent:

Sean D. Muntz, Esq.  
Keesal, Young & Logan  
Long Beach, California

**CASE INFORMATION**

Statement of Claim filed: March 26, 2004

Claimants' Joint Uniform Submission Agreement signed: March 23, 2004

Statement of Answer filed by Respondent: May 18, 2004

Respondent Citigroup Global Markets, Inc.'s Uniform Submission Agreement signed: May 18, 2004

**CASE SUMMARY**

Claimants alleged breach fiduciary duty and unsuitability based upon the heavy investment of Claimants' accounts in unspecified equities.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested \$75,000.00 in compensatory damages, pre-judgment interest at the rate of seven percent, post-judgment interest at the rate of ten percent, and costs, including attorney's fees.

Respondent requested dismissal of the Claimants' Statement of Claim in its entirety and costs.

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

On April 8, 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 May 18, 2004, Respondent's counsel signed a Waiver Agreement on Respondent's 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.

### **AWARD**

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims are denied in their entirety.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted is denied.

### **FEES**

Pursuant to the Code, 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	= \$ 225.00
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#### **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 firm Citigroup Global Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$1,100.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$1,700.00
<b>Total Member Fees</b>	<b>= \$3,550.00</b>

#### **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:

One (1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conference: August 24, 2004	1 session
Four (4) Hearing sessions @ \$750.00/session	= \$3,000.00
Hearings: February 23, 2005	2 sessions
February 24, 2005	2 sessions
<b>Total Forum Fees</b>	<b>= \$3,750.00</b>

1. The Panel assessed \$1,875.00 of the forum fees jointly and severally to Claimants Betty Anne Buchanan on behalf of the Betty Anne Buchanan IRA and as trustee for The Enoch & Betty Buchanan Revocable Trust.
2. The Panel assessed \$1,875.00 of the forum fees to Respondent Citigroup Global Markets, Inc.

**Fee Summary**

1. Claimants Betty Anne Buchanan on behalf of the Betty Anne Buchanan IRA and as trustee for The Enoch & Betty Buchanan Revocable Trust are jointly and severally charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 1,875.00
Total Fees	= \$ 2,100.00
Less payments	= \$ (975.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,125.00</b>

2. Respondent Citigroup Global Markets, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,550.00
Forum Fees	= \$ 1,875.00
Total Fees	= \$ 5,425.00
Less payments	= \$(4,050.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,375.00</b>

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.

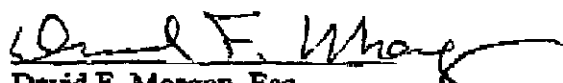
**ARBITRATION PANEL**

*David F. Morgan, Esq.*  
*James S. Munroe, Jr.*  
*Ralph B. Perry, III, Esq.*

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*Public Arbitrator, Presiding Chair*  
*Public Arbitrator*  
*Non-Public Arbitrator*

**Concurring Arbitrators' Signatures**

  
David F. Morgan, Esq.  
Chair, Public Arbitrator

03/02/2005  
Signature Date

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James S. Munroe, Jr.  
Public Arbitrator

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

\_\_\_\_\_  
Ralph B. Perry, III, Esq.  
Non-Public Arbitrator

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

March 2, 2005  
Date of Service

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*James S. Munroe, Jr.*  
*Ralph B. Perry, III, Esq.*


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*Non-Public Arbitrator*

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James S. Munroe, Jr.  
Public Arbitrator

3.2.05.  
Signature Date

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Ralph B. Perry, III, Esq.  
Non-Public Arbitrator

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Signature Date

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<i>James S. Munroe, Jr.</i>	-	<i>Public Arbitrator</i>
<i>Ralph B. Perry, III, Esq.</i>	-	<i>Non-Public Arbitrator</i>

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