
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Robert R. Podwill and
Gail Podwill JTWROS

Case Number: 04-02522

Names of the Respondents

Salomon Smith Barney, Inc. n/k/a
Citigroup Global Markets, Inc.
Randall James Hooper

Hearing Site: Boca Raton, Florida

Nature of Dispute: Customer vs. Member and Associated Person

REPRESENTATION OF PARTIES

For Robert R. Podwill and Gail Podwill JTWROS, hereinafter referred to as "Claimant": Bradford M. Gucciardo, Esq. and Charles E. Scarlett, Esq., Scarlett & Associates, P.A., Boca Raton, Florida.

For Salomon Smith Barney, Inc. n/k/a Citigroup Global Markets, Inc. and Randall James Hooper, hereinafter collectively referred to as "Respondents": Jason S. Haselkorn, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: April 1, 2004.

Claimant signed the Uniform Submission Agreement: April 1, 2004.

Statement of Answer filed by Respondents on or about: June 3, 2004.

Respondent Citigroup Global Markers, Inc. signed the Uniform Submission Agreement: June 3, 2004.

Respondent Randall James Hooper did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant alleged the following causes of action: 1) violation of Florida Statutes, Chapter 517; 2) common law fraud; 3) breach of fiduciary duty; 4) fraud under the Securities Exchange Act, Sections 10(b) and 15(c)(1)(a) and S.E.C. Rules 10b-5 and Rule 10b-3; 5) rescission under Section 29(b) of the Securities Exchange Act; 6) violation of NASD Conduct Rule 2120; 7) violation of IM-2310-2 under NASD Conduct Rule 2310; 8) violation of NASD Conduct Rule 2510(b); 9) violation of NASD Conduct Rule 2310 and NYSE Rule 405; 10) violation of NASD Conduct Rule 2110; 11) negligence; 12) breach of contract; 13) violation of NASD Conduct Rule 3010(a); 14)

respondeat superior liability; 15) "controlling persons" liability under Securities Exchange Act, Section 20(a); and 16) punitive damages under Florida Statute, Section 768.73. The causes of action relate to investments in shares of equity stock, including but not limited to, CNET Networks, ADC Telecommunications, Viatel and Worldcom.

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

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$117,000.00 including rescission plus disgorgement; 2) punitive damages in the amount of \$351,500.00; 3) attorneys' fees under Chapter 517 of the Florida Statutes; 4) prejudgment interest; 5) costs; 6) referral to the NASD for disciplinary actions against Respondents; 7) if the Arbitrators render a judgment based on fraud, that "actual fraud" and/or "fraud while acting in a fiduciary capacity" be mentioned specifically as the basis in any written Judgment to survive any discharge in bankruptcy (11 U.S.C. Sec. 523(a)) if any Respondent files a bankruptcy petition; under the State of Florida revised tort laws, a short explanation of the basis of the punitive damage award; and 9) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

Respondents requested: 1) denial of the claims asserted against Respondents; 2) dismissal, with prejudice, of claims asserted against Respondents; and 3) costs associated with the arbitration of this proceeding.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Randall James Hooper 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 Procedures (the "Code") and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about December 1, 2004, Claimant filed a notice of settlement with Respondents.

On or about December 16, 2004, the parties jointly filed a Stipulation to Dismiss and Expunge Randall James Hooper's Central Registration Depository ("CRD") Record for the above reference arbitration proceeding.

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

AWARD

After considering the pleadings and the Stipulation to Dismiss and Expunge Randall James Hooper's CRD Record, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's withdrawal of claims against Respondents, with prejudice, is accepted and Respondents are dismissed from this matter.
2. The Panel recommends expungement of all references to the above-captioned arbitration

proceeding from Respondent Randall James Hooper's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Randall James Hooper must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 300.00

The Panel determined to assess the non-refundable filing fee to Claimants and deny a permanent waiver of the non-refundable filing fee.

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. Accordingly, Respondent Citigroup Global Markets, Inc. is a member firm and 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:

There were no adjournments requested during these proceedings for which fees were assessed.

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:

The Panel has assessed a three-day cancellation fee of \$300.00 as follows:

\$150.00 to Claimant.

\$150.00 to Respondents, jointly and severally.

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.

There were no injunctive relief fees assessed during these proceedings.

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 a single arbitrator @ \$450.00 per session	= \$ 1,350.00
Pre-hearing conferences:	
October 27, 2004	1 session
November 1, 2004	1 session
November 9, 2004	1 session
One (1) Pre-hearing session with Panel @ \$ 1,125.00 per session	= \$ 1,125.00
Pre-hearing conference:	
August 24, 2004	1 session
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Total Fees	= \$ 2,475.00

The Panel has assessed forum fees in the amount of \$1,237.50 to Claimant.

The Panel has assessed forum fees in the amount of \$1,237.50 to Respondents, jointly and severally.

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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,237.50
<u>Three-Day Cancellation Fee</u>	= \$ 150.00
Total Fees	= \$ 1,687.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent Citigroup Global Markets, Inc. is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00

Balance Due NASD Dispute Resolution = \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 1,237.50
<u>Three-Day Cancellation Fee</u>	= \$ 150.00
Total Fees	= \$ 1,387.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,387.00

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

ARBITRATION PANEL

<i>Guy K. Stewart, Jr., Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Alexander I. Heckman, Esq.</i>	-	<i>Non-Public Arbitrator</i>
<i>George L. Davis</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Guy K. Stewart, Jr., Esq.
Public Arbitrator, Presiding Chairperson

3/22/2005
Signature Date

/s/
Alexander I. Heckman, Esq.
Non-Public Arbitrator

3/15/2005
Signature Date

/s/
George L. Davis
Non-Public Arbitrator

3/14/2005
Signature Date

3/23/2005
Date of Service
(For NASD Dispute Resolution office use only)

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Balance Due NASD Dispute Resolution = \$ 0.00

Respondents are jointly and severally liable for:

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<u>Three-Day Cancellation Fee</u>	<u>= \$ 150.00</u>
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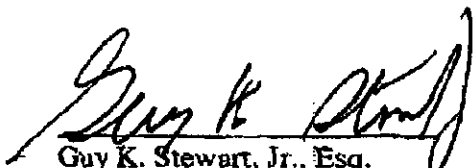
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Guy K. Stewart, Jr., Esq.
Alexander I. Heckman, Esq.
George L. Davis

- Public Arbitrator, Presiding Chairperson
- Non-Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures


Guy K. Stewart, Jr., Esq.
Public Arbitrator, Presiding Chairperson

March 22, 2005
Signature Date

Alexander I. Heckman, Esq.
Non-Public Arbitrator

Signature Date

George L. Davis
Non-Public Arbitrator

Signature Date

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

RECEIVED

MAR 16 2005 = \$ 0.00

FL ARBITRATION

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Alexander I. Heckman, Esq.
George L. Davis

- *Public Arbitrator, Presiding Chairperson*
- *Non-Public Arbitrator*
- *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

Guy K. Stewart, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Alexander Heckman

Alexander I. Heckman, Esq.
Non-Public Arbitrator

3/15/2005

Signature Date

George L. Davis
Non-Public Arbitrator

Signature Date

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Alexander I. Heckman, Esq.	-	Non-Public Arbitrator
George L. Davis	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Guy K. Stewart, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Alexander I. Heckman, Esq.
Non-Public Arbitrator

Signature Date


George L. Davis
Non-Public Arbitrator

3/14/05
Signature Date

Date of Service
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