

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Anthony F. Salerno and Tony Salerno (Claimants) v. Citigroup Global Markets Inc., f/k/a Salomon Smith Barney Inc., (Respondent)

Case Number: 04-04595

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Member Firm

REPRESENTATION OF PARTIES

Claimants Anthony F. Salerno and Tony Salerno hereinafter referred to as "Claimants": Stephen David Murakami, Esq., Hooper and Weiss, L.L.C., Jericho, New York.

Respondent Citigroup Global Markets Inc., f/k/a Salomon Smith Barney Inc., hereinafter referred to as "Respondent": David G. Smitham, Esq., Bressler, Amery and Ross, P.C., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: June 28, 2004.

Anthony F. Salerno signed the Uniform Submission Agreement: May 26, 2004.

Tony Salerno signed the Uniform Submission Agreement: May 26, 2004.

Statement of Answer filed by Respondent on or about: October 21, 2004.

Respondent signed the Uniform Submission Agreement: December 10, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; breach of contract; negligence; failure to supervise; unsuitability; fraud, and employment of manipulative and deceptive devices.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$1,000,000.00, punitive damages, interest, attorneys' fees, costs, and other relief that the Panel may award.

Respondent requested that Claimants' claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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

AWARD

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

1. Claimants' claims are dismissed in their entirety.
- 2 Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 = \$ 375.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Citigroup Global Markets Inc. f/k/a Salomon Smith Barney Inc., is a party.

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 4,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

One (1) Pre-hearing sessions with a single arbitrator @ \$450.00 per session	= \$ 450.00
Pre-hearing conference: September 27, 2005 1 session	

Two (2) Pre-hearing sessions with Panel @ \$1,200.00 per session	= \$ 2,400.00
Pre-hearing conferences: January 12, 2005 1 session	
November 7, 2005 1 session	

Fifteen (15) Hearing sessions @ \$1,200.00 per session	= \$ 18,000.00
Hearing Dates: November 15, 2005 2 sessions	
November 16, 2005 2 sessions	
November 17, 2005 2 sessions	
December 27, 2005 2 sessions	

December 28, 2005	2 sessions
December 29, 2005	2 sessions
March 16, 2006	2 sessions
April 21, 2006	1 session

Total Forum Fees	= \$ 20,850.00
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The Panel has assessed \$20,850.00 of the forum fees against the Respondent.

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.

Respondent requested duplication of 8 tapes @ \$15.00 per tape	= \$ 120.00
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Fee Summary

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 375.00
Total Fees	= \$ 375.00
<u>Less payments</u>	= \$ 1,700.00
Refund due Claimants	= \$ 1,325.00

2. Respondent is solely liable for:

Member Fees	= \$ 7,000.00
Administrative Costs	= \$ 120.00
<u>Forum Fees</u>	= \$20,850.00
Total Fees	= \$27,970.00
<u>Less payments</u>	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$20,970.00


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

ARBITRATION PANEL

Marguerite B. Filson, Esq.	-	Public Arbitrator, Presiding Chairperson
James W. Geiger	-	Public Arbitrator
Alan S. Braunshweiger	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



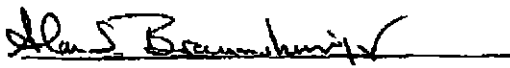
Marguerite B. Filson, Esq.
Public Arbitrator, Presiding Chairperson

April 15, 2006

Signature Date

James W. Geiger
Public Arbitrator

Signature Date



Alan S. Braunshweiger
Non-Public Arbitrator

April 26, 2006

Signature Date

April 27, 2006

Date of Service (For NASD Dispute Resolution use only)