

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Harold Van Der Wall and Diane Van Der Wall (Claimants) v. Salomon Smith Barney, Inc., and Ken Hirsch (Respondents)

Case Number: 04-05162

Hearing Site: Elizabeth, New Jersey

Nature of the Dispute: Customers v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Claimants Harold Van Der Wall and Diane Van Der Wall hereinafter collectively referred to as "Claimants": John J. Blanchard, Esq., Law Office of John J. Blanchard, Montvale, NJ.

Respondent Salomon Smith Barney, Inc. k/n/a Citigroup Global Markets, Inc., ("Citigroup") and Ken Hirsch ("Hirsch"), hereinafter collectively referred to as "Respondents": Hugo A. Hilgendorff, Esq., In-House Counsel, Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: July 16, 2004.

Claimants signed the Uniform Submission Agreement: July 14, 2004.

Joint Statement of Answer filed by Respondents on or about: October 20, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: October 20, 2004.

Respondent Hirsch did sign a Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: violations of the Securities Exchange Act of 1934 and the rules and regulations of NASD; gross negligence; recklessness; fraud and deceit; omissions of material fact; breach of fiduciary duty; and unsuitability. The causes of action relate to common stock.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$250,000.00; interest; attorneys' fees and costs.

Respondents requested that the Panel dismiss the Statement of Claim with prejudice and order that the costs associated with the arbitration proceeding be assessed against the Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Ken Hirsch did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the 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.

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. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ken Hirsch's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Ken Hirsch must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous;

3. Any and all relief not specifically addressed herein 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 = \$ 300.00

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. Accordingly, SSB k/n/a Citigroup Global Markets, Inc. 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

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:

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$ 1,125.00

Pre-hearing conference: January 3, 2005 1 session

Three (3) Hearing sessions @ \$1,125.00 per session = \$ 3,375.00

Hearing Dates: September 20, 2005 2 sessions

September 21, 2005 1 session

Total Forum Fees = \$ 4,500.00

1. The Panel has assessed \$4,500.00 of the forum fees against Respondent Citigroup.

Fee Summary

1. Claimants are liable for:

Initial Filing Fee = \$ 300.00

Total Fees = \$ 300.00

Less payments = \$ 1,425.00

Refund due Claimants = \$ 1,125.00

2. Respondent Citigroup is solely liable for:

Member Fees = \$ 5,200.00

Forum Fees = \$ 4,500.00

Total Fees = \$ 9,700.00

Less payments = \$ 5,200.00

Balance Due NASD Dispute Resolution = \$ 4,500.00

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

ARBITRATION PANEL

Sidney N. Weiss, Esq.

Frank J. Spencer

Harry J. Lundgren, Jr.

-
-
-

Public Arbitrator, Presiding Chairperson

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures



Sidney N. Weiss, Esq.

Public Arbitrator, Presiding Chairperson

Signature Date

Frank J. Spencer

Public Arbitrator

Signature Date

Harry J. Lundgren, Jr.

Non-Public Arbitrator

Signature Date

October 16, 2005

Date of Service (For NASD Dispute Resolution use only)

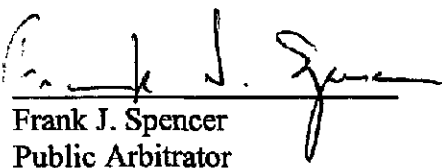
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Frank J. Spencer	-	Public Arbitrator
Harry J. Lundgren, Jr.	-	Non-Public Arbitrator

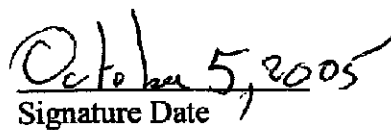
Concurring Arbitrators' Signatures

Sidney N. Weiss, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



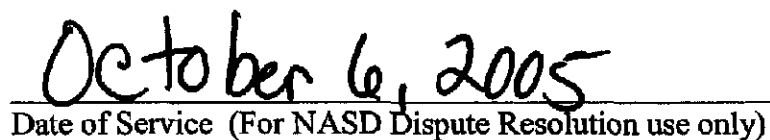
Frank J. Spencer
Public Arbitrator



Signature Date

Harry J. Lundgren, Jr.
Non-Public Arbitrator

Signature Date



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Harry J. Lundgren, Jr.	-	Non-Public Arbitrator

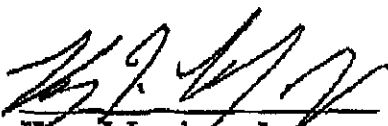
Concurring Arbitrators' Signatures

Sidney N. Weiss, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Frank J. Spencer
Public Arbitrator

Signature Date



Harry J. Lundgren, Jr.
Non-Public Arbitrator

Signature Date

October 6, 2005
Date of Service (For NASD Dispute Resolution use only)