

Stipulated Award

NASD Dispute Resolution

In the Matter of the Arbitration Between:

Bipinchandra Jhaveri (Claimant) v. Citigroup Global Markets, Inc., Timothy Stauffer, Jon P. Ramey, and William M. Ward (Respondents) v. Kamlesh Jhaveri (Third-Party Respondent)

Case Number: 04-05929

Hearing Site: Newark, New Jersey

Nature of the Dispute:

Initial Claim: Customer vs. Member and Associated Persons.

Third Party Claim: Member Firm and Associated Persons v.
Associated Person.

REPRESENTATION OF PARTIES

Claimant Bipinchandra Jhaveri hereinafter referred to as "Claimant": Robert A. Klingler, Esq., Robert A. Klinger Co., L.P.A., Cincinnati, Ohio.

Respondents Citigroup Global Markets Inc. ("Citigroup"), Timothy Stauffer ("Stauffer"), Jon P. Ramey ("Ramey"), and William M. Ward ("Ward") hereinafter collectively referred to as "Respondents": Dennis J. Concilla, Esq., and Douglas R. Jennings, Esq., Carlile Patchen & Murphy LLP, Columbus, Ohio.

Kamlesh Jhaveri hereinafter referred to as "K. Jhaveri" did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: August 23, 2004.

Claimant signed the Uniform Submission Agreement: September 9, 2004.

Joint Statement of Answer filed by the Respondents on or about: November 17, 2004.

Citigroup signed the Uniform Submission Agreement.

Stauffer signed the Uniform Submission Agreement: December 6, 2004.

Ramey signed the Uniform Submission Agreement: November 29, 2004.

Ward signed the Uniform Submission Agreement: November 30, 2004.

K. Jhaveri did not file an Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: failure to observe high standards and just and equitable principles of trade; manipulative, deceptive, or fraudulent devices; unsuitability; unauthorized trading; excessive trading; unauthorized exercise of discretionary authority; failure to review discretionary account transactions; failure to give prior notice of transactions; failure to supervise; breach of fiduciary duty; conversion; tortious interference with a business relationship; and, fraud. The causes of action relate to unspecified investment products purchased by Claimant.

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

In its Third-Party Claim, Respondents asserted the following causes of action: fraud; breach of warranty; conversion; unjust enrichment; contribution; and, indemnification.

RELIEF REQUESTED

Claimant requested compensatory damages of at least \$2,000,000.00, punitive damages of at least \$250,000.00, costs in the amount of \$1,700.00, attorneys' fees, and all other relief granted by the Panel.

Respondents requested dismissal of the Statement of Claim in its entirety and an award of fees and expenses, including forum fees and all other costs of this proceeding.

In their Third-Party Claim, Respondents requested \$2,000,000.00 in compensatory damages.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent K. Jhaveri 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 is bound by the determination of the Panel on all issues submitted.

On or about August 23, 2005, Respondents filed a Motion to Supplement their Answer and file a Third-Party Claim against K. Jhaveri. The arbitrators considered all submissions by the parties and after due deliberation by the Panel determined to grant the Respondents' Motion.

On or about May 11, 2006, the parties advised NASD Dispute Resolution that a settlement had been reached and filed a Joint Motion to Dismiss the claims and

expunge this matter from the registration records maintained by the Central Registration Depository ("CRD") of the NASD for Respondents Stauffer, Ramey, and Ward. The Panel subsequently ordered that Respondents submit affidavits in support of the request for expungement and scheduled a telephonic hearing for July 7, 2006 to take and consider evidence upon the request for expungement.

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 record in this matter, and having heard telephonic testimony from the parties on July 7, 2006, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims against Respondents Citigroup Global Markets, Inc., Timothy Stauffer, Jon P. Ramey, and William M. Ward, are hereby dismissed with prejudice.
2. Respondents' Third-Party claims are hereby dismissed with prejudice.
3. In accordance with the parties' joint Motion to Expunge, the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Timothy Stauffer's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Timothy Stauffer 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, the arbitration panel has made the following affirmative findings of fact:

The claim, allegations, or information is false.

4. In accordance with the parties' joint Motion to Expunge, the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Jon P. Ramey's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Jon P. Ramey 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, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged conduct.

5. In accordance with the parties' joint Motion to Expunge, the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent William M. Ward's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent William M. Ward 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, the arbitration panel has made the following affirmative findings of fact:

The registered person was not involved in the alleged conduct.

6. 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 | = \$ 500.00 |
| Third-Party Claim filing fee | = \$ 2,000.00 |

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., is a party.

| | |
|------------------|---------------|
| Member Surcharge | = \$ 2,800.00 |
|------------------|---------------|

| | |
|-------------------------|---------------|
| Pre-Hearing Process Fee | = \$ 750.00 |
| Hearing Process Fee | = \$ 5,000.00 |

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: August 22, 2005 1 session

Three (3) Pre-hearing conference sessions with the Panel @ \$1,200.00 = \$ 3,600.00
Pre-hearing conferences: February 18, 2005 1 session
October 13, 2005 1 session
July 7, 2006 1 session

| | |
|------------------|---------------|
| Total Forum Fees | = \$ 4,050.00 |
|------------------|---------------|

1. The Panel has assessed \$2,025.00 of the forum fees against the Claimant.
2. The Panel has assessed \$2,025.00 of the forum fees, jointly and severally, against Respondents Citigroup, Stauffer, Ramey, and Ward.

Fee Summary

1. Claimant is solely liable for:

| | |
|-------------------------------------|---------------|
| Initial Filing Fee | = \$ 500.00 |
| Forum Fees | = \$ 2,025.00 |
| Total Fees | = \$ 2,525.00 |
| Less payments | = \$ 1,700.00 |
| Balance Due NASD Dispute Resolution | = \$ 825.00 |

2. Respondent Citigroup is solely liable for:

| | |
|-------------------------------------|---------------|
| Member Fees | = \$ 8,550.00 |
| Total Fees | = \$ 8,550.00 |
| Less payments | = \$ 8,550.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

3. Respondents Citigroup, Stauffer, Ramey, and Ward are jointly and severally liable for:

| | |
|------------------------------|---------------|
| Third-Party Claim Filing Fee | = \$ 2,000.00 |
| Forum Fees | = \$ 2,025.00 |
| Total Fees | = \$ 4,025.00 |
| Less payments | = \$ 3,200.00 |

Balance Due NASD Dispute Resolution

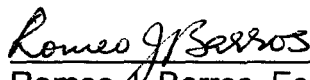
= \$ 825.00

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

ARBITRATION PANEL

| | | |
|-----------------------|---|------------------------------------|
| Romeo J. Barros, Esq. | - | Public Arbitrator, Presiding Chair |
| Joseph P. Ferrigno | - | Public Arbitrator |
| John E. Shine | - | Industry Arbitrator |

Concurring Arbitrators' Signatures



Romeo J. Barros, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Joseph P. Ferrigno
Public Arbitrator

Signature Date

John E. Shine
Industry Arbitrator

Signature Date

February 5 2007
Date of Service (For NASD office use only)

ARBITRATION PANEL

Romeo J. Barros, Esq.
Joseph P. Ferrigno
John E. Shine

- Public Arbitrator, Presiding Chair
- Public Arbitrator
- Industry Arbitrator

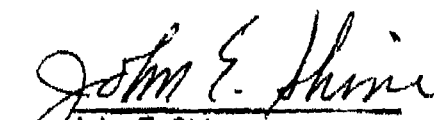
Concurring Arbitrators' Signatures

Romeo J. Barros, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Joseph P. Ferrigno
Public Arbitrator

Signature Date



John E. Shine
Industry Arbitrator

11/21/06

Signature Date

February 5, 2007
Date of Service (For NASD office use only)