

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Connie Taylor, Claimant v. Salomon Smith Barney Inc. n/k/a Citigroup Global Markets Inc., Respondent

Case Number: 05-01038

Hearing Site: Salt Lake City, Utah

Nature of the Dispute: Customer v. Member

REPRESENTATION OF PARTIES

For Claimant:

A. Daniel Woska, Esq.
Woska & Hayes, LLP
Oklahoma City, OK

For Respondent:

Milo Steven Marsden, Esq.
Patricia Staible, Esq.
Dorsey & Whitney LLP
Salt Lake City, Utah

CASE INFORMATION

Statement of Claim filed: February 24, 2005

Claimant's Uniform Submission Agreement signed: December 15, 2004

Statement of Answer filed by Respondent: April 21, 2005

Respondent's Uniform Submission Agreement signed: April 21, 2005

CASE SUMMARY

Claimant alleged controlling person liability pursuant to Section 20(A) of the Exchange Act, breach of fiduciary duty, breach of contract, violation of the Know Your Customer Rule, unsuitability, failure to diversify, over concentration, failure to supervise, violation of the Wyoming Securities Act 17-4-101, Wyoming Consumer Protection Act 40-12-105; negligent and intentional misrepresentation, negligence, and failure to hedge. Claimant's allegations involved investments in growth oriented equity mutual funds.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$275,000.00, unspecified punitive damages, pre- and post-judgment interest, and costs, including attorney's fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 24, 2006, Claimant filed an Objection to Answer filed by Salomon Smith Barney, Inc., a Motion to Strike Inappropriate Language, and a Motion for Order Excluding Evidence at the Hearing. At the hearing, the Panel denied Claimant's Motions.

At the conclusion of the hearing, Claimant modified her claim for compensatory damages by reducing the amount claimed to \$155,000.00.

FINDINGS AND CONCLUSIONS

Claimant sought attorneys' fees in an amount equal to 45% of the principal amount awarded as compensatory damages. The panel found this to be unreasonable and awarded attorneys' fees in the sum of \$21,200.00 which is equal to 40% of the principal amount awarded as compensatory damages.

Claimant sought \$11,374.95 for reimbursement of costs, including \$3,812.00 for "research and reading." The Panel found that amount to be unusual, unreasonable and excessive and reduced the amount requested by \$2,000.00, yielding reimbursement costs of \$9,374.95.

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) Respondent is liable and shall pay to Claimant the sum of \$53,000.00 in compensatory damages.
- 2) Respondent is liable and shall pay to Claimant interest at a rate of 10% per annum on the sum of \$53,000.00 from March 5, 2002 until payment of this award is made in full.
- 3) Respondent is liable to and shall pay Claimant the sum of \$9,374.95 as reimbursement for costs.
- 4) Respondent is liable to and shall pay Claimant the sum of \$21,200.00 in attorney's fees.
- 5) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 6) 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	= \$ 300.00
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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 Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. is a party and the following fees are assessed:

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 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:

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference: June 17, 2005	1 session

(4) Hearing sessions @ \$1,125.00/session	= \$4,500.00
Hearings: May 16, 2006	2 sessions
May 17, 2006	2 sessions

Total Forum Fees	= \$ 5,625.00
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1. The Panel assessed \$1,406.25 of the forum fees to Claimant.
2. The Panel assessed \$4,218.75 of the forum fees to Respondent.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,406.25
Total Fees	= \$ 1,706.25
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 281.75

2. Respondent is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,218.75
Total Fees	= \$ 9,418.75
Less payments	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 4,218.75

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

Barbara L. Edin, Esq.	-	Public Arbitrator, Presiding Chair	Gary
Gary G. Sackett, Esq.	-	Public Arbitrator	
Richard M. Benton	-	Non-Public Arbitrator	

Concurring Arbitrators' Signatures


Barbara L. Edin, Esq.
Chair, Public Arbitrator

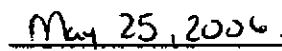

Signature Date

Gary G. Sackett, Esq.
Public Arbitrator

Signature Date

Richard M. Benton
Non-Public Arbitrator

Signature Date


Date of Service

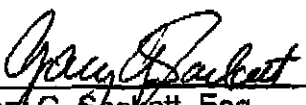
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Gary G. Sackett, Esq.	-	Public Arbitrator	
Richard M. Benton	-	Non-Public Arbitrator	

Concurring Arbitrators' Signatures

Barbara L. Edin, Esq.
Chair, Public Arbitrator

Signature Date



Gary G. Sackett, Esq.
Public Arbitrator

24 May 2006

Signature Date

Richard M. Benton
Non-Public Arbitrator

Signature Date

May 25 2006

Date of Service

ARBITRATION PANEL

Barbara L. Edin, Esq.	-	Public Arbitrator, Presiding Chair	Gary
Gary G. Sackett, Esq.	-	Public Arbitrator	
Richard M. Benton	-	Non-Public Arbitrator	

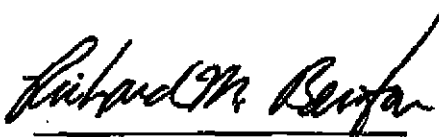
Concurring Arbitrators' Signatures

Barbara L. Edin, Esq.
Chair, Public Arbitrator

Signature Date

Gary G. Sackett, Esq.
Public Arbitrator

Signature Date



Richard M. Benton
Non-Public Arbitrator

5.24.06

Signature Date

May 25, 2006

Date of Service