

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Katrina Schalensky (Claimant) vs. Citigroup Global Markets f/k/a Salomon Smith Barney (Respondent)

Case Number: 05-04104

Hearing Site: Newark, New Jersey

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

Claimant Katrina Schalensky hereinafter referred to as "Claimant" appeared *pro-se*.

Respondent Citigroup Global Markets f/k/a Salomon Smith Barney hereinafter referred to as "Respondent": Hugo A. Hilgendorff IV, Esq., Citigroup Global Markets, Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: August 5, 2005.

Claimant signed the Uniform Submission Agreement.

Statement of Answer filed by Respondent on or about: September 29, 2005.

Respondent signed the Uniform Submission Agreement: September 28, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: suitability, misrepresentations, negligence, failure to supervise, and respondeat superior. The causes of action relate to equities and high risk, over the counter stocks.

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 \$46,883.33, consequential damages, interest, costs, and such other relief as the arbitration panel may deem appropriate.

Respondent requested dismissal of the Statement of Claim in its entirety with prejudice and costs.

OTHER ISSUES CONSIDERED AND DECIDED

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. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$15,000.00.
2. 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	= \$	175.00
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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, Citigroup Global Markets f/k/a Salomon Smith Barney is a party.

Member surcharge	= \$	875.00
Pre-hearing process fee	= \$	750.00
Hearing process fee	= \$	1,000.00

Forum Fees and Assessments

The Arbitrator 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 arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$600.00/session	= \$	600.00
Pre-hearing conference: December 20, 2005 1 session		

One (1) Hearing session @ \$600.00/session	= \$	600.00
Hearing Date: February 14, 2006 1 session		

Total Forum Fees	= \$	1,200.00
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1. The Panel has assessed \$600.00 of the forum fees to Claimant.
2. The Panel has assessed \$600.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 175.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 775.00
<u>Less payments</u>	<u>= \$ 775.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent is solely liable for:

Member Fees	= \$ 2,625.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 3,225.00
<u>Less payments</u>	<u>= \$ 2,625.00</u>
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

David I. Goldblatt, Esq.	-	Public Arbitrator, Presiding Chairperson
Robert G. O'Brien, Esq.	-	Public Arbitrator
Ursula Clay, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



David I. Goldblatt, Esq.
Public Arbitrator, Presiding Chairperson

2/17/06
Signature Date

Robert G. O'Brien, Esq.
Public Arbitrator

Signature Date

Ursula Clay, Esq.
Non-Public Arbitrator

Signature Date

February 23, 2006

Date of Service (For NASD Dispute Resolution use only)


ARBITRATION PANEL

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