

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Bertram E. Barnett, Jr.,
Robert L. Cockroft,
Kathy C. Cockroft,
Allen R. Graber,
Bittjal Partners and
Robert R. Yarbrough

Case Number: 09-01796

Name of the Respondent

Citigroup Global Markets, Inc.

Hearing Site: Memphis, Tennessee

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Bertram E. Barnett Jr. ("Barnett"), Robert L. Cockroft ("R Cockroft"), Kathy C. Cockroft ("K Cockroft"), Allen R. Graber ("Graber"), Bittjal Partners ("Bittjal") and Robert R. Yarbrough ("Yarbrough"), hereinafter collectively referred to as "Claimants": Philip M. Aidikoff, Esq., Aidikoff, Uhl, & Bakhtiari, Beverly Hills, CA.

For Citigroup Global Markets, Inc., hereinafter referred to as "Respondent": Richard Szuch, Esq., Bressler, Amery & Ross, PC, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: April 1, 2009.

Claimant Barnett signed the Submission Agreement: March 13, 2009.

Claimant R Cockroft and Claimant K Cockroft signed the Submission Agreement: March 25, 2009.

Claimant Graber signed the Submission Agreement: March 12, 2009.

Claimant Bittjal signed the Submission Agreement: March 13, 2009.

Claimant Yarbrough signed the Submission Agreement: March 5, 2009.

Statement of Answer filed by Respondent on or about: June 19, 2009.

Respondent signed the Submission Agreement: June 18, 2009.

CASE SUMMARY

Claimants asserted the following causes of action: 1) breach of fiduciary duty; 2) breach of written contract; 3) constructive fraud; 4) violation of FINRA, NASD and NYSE rules; 5) unsuitability; 6) failure to supervise; and 7) *respondeat superior*. The causes of

action relate to Claimants' investments in, including but not limited to, Mat Five, a tax free municipal bond arbitrage fund.

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

RELIEF REQUESTED

In the Statement of Claim, Claimants requested: 1) compensatory damages in an amount not less than \$3,050,00.00 minus residual value and/or amounts withdrawn; 2) lost opportunity costs in an amount according to proof; 3) fees, commissions or other remuneration paid by Claimants; 4) costs; 5) punitive damages; 6) interest at the legal rate; 7) attorneys' fees; 8) rescission; and 9) other relief deemed just.

In the Answer to the Statement of Claim, Respondent requested: 1) dismissal of the Statement of Claim with prejudice; 2) costs and expenses; 3) attorneys' fees; 4) expert witness fees; and, 5) other relief deemed just.

At the close of the hearing, Claimants requested compensatory damages in an amount between \$2,221,994.00 and \$2,565,338.00.

OTHER ISSUES CONSIDERED AND DECIDED

The undersigned arbitrators (the "Panel") acknowledge that they have each read the pleadings and other materials filed by the parties.

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:

Respondent is found liable and shall pay to Claimants compensatory damages as follows:

- \$398,898.00 to Claimant Barnett;
- \$797,796.00 to Claimants R Cockroft and K Cockroft, jointly and severally;
- \$432,943.00 to Claimant Graber;
- \$398,898.00 to Claimant Bittjal; and,
- \$398,898.00 to Claimant Yarbrough.

Respondent shall reimburse Claimants, jointly and severally, the amount of \$600.00 which represents the non-refundable portion of the claim filing fee previously paid to FINRA Dispute Resolution.

Any and all relief not specifically addressed herein, including Claimants' request for punitive damages and the parties' requests for attorneys' fees, is denied.

FEES

Pursuant to the Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:
Initial claim filing fee = \$1,800.00

**The filing fee is made up of a non-refundable and a refundable portion.*

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, as a party Respondent is assessed the following:

Member surcharge = \$2,800.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$5,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

March 30- April 2, 2010, adjournment by Respondent
April 26- 30, 2010, joint adjournment

The Panel waived the adjournment fees.

Contested Motion for Issuance of a Subpoena Fees

Fees apply for each decision on a contested motion for the issuance of a subpoena.

One (1) Decision on a contested motion for the issuance of a subpoena
one (1) arbitrator @ \$200.00 = \$200.00

Total Contested Motion for Issuance of Subpoenas Fees = \$200.00

The Panel waived the contested motion for issuance of a subpoena fee.

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s) that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with the Panel @ \$1,200.00/session = \$ 1,200.00

Pre-hearing conference:	July 10, 2009	1 session	
Fifteen (15) Hearing sessions @ \$1,200.00/session			= \$18,000.00
Hearing Dates:	November 15, 2010	3 sessions	
	November 16, 2010	3 sessions	
	November 17, 2010	3 sessions	
	November 18, 2010	2 sessions	
	November 19, 2010	2 sessions	
	November 22, 2010	2 sessions	
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Total Hearing Session Fees			= \$19,200.00

The Panel has assessed the total hearing session fees of \$19,200.00 to Respondent.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

- P. Drake Mann - Public Arbitrator, Presiding Chairperson
- Thomas Maschmeyer - Public Arbitrator
- Yvonia Foster - Non-Public Arbitrator

Concurring Arbitrators' Signatures

 / S /
P. Drake Mann
Public Arbitrator, Presiding Chairperson

November 30, 2010
Signature Date

 / S /
Thomas Maschmeyer
Public Arbitrator

December 1, 2010
Signature Date

 / S /
Yvonia Foster
Non-Public Arbitrator

November 30, 2010
Signature Date

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Award Page 4 of 4

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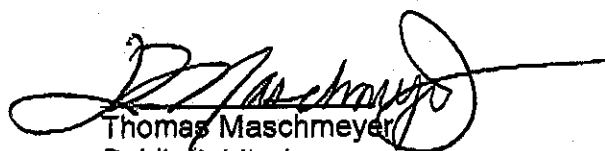
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Public Arbitrator, Presiding Chairperson

Signature Date



Thomas Maschmeyer
Public Arbitrator

12-1-10
Signature Date

Yvonla Foster
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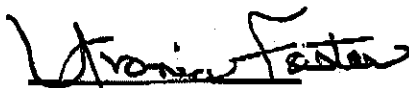
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