

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

David Shuster and Ida Shuster, JTWROS, and Individually (Claimants) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. (Respondent)

Case Number: 03-00641

Hearing Site: New York, New York

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Nature of the Dispute: Customers vs. Member.

**REPRESENTATION OF PARTIES**

Claimants David Shuster and Ida Shuster ("Shusters"), David Shuster IRA ("D. Shuster"), and Ida Shuster IRA ("I. Shuster") hereinafter collectively referred to as "Claimants": G. Martin Meyers, Esq., Law Offices of G. Martin Meyers, P.C., Denville, NJ.

Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") hereinafter referred to as "Respondent": Hugo A. Hilgendorff, IV, Esq., Bressler, Amery & Ross, P.C., Florham Park, NJ.

**CASE INFORMATION**

Statement of Claim filed on or about: January 27, 2003.

Claimants signed the Uniform Submission Agreement: January 23, 2003.

Statement of Answer filed by Respondent on or about: April 3, 2003.

Respondent did not sign the Uniform Submission Agreement.

**CASE SUMMARY**

Claimants asserted the following causes of action: breach of fiduciary duty; violation of NASD Rule of Fair Practice Section 2; unsuitable recommendations; excessive trading; negligence; and breach of contract. The causes of action relate to various common stocks and mutual funds.

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 \$250,000.00; interest; costs;

attorneys' fees; and punitive damages.

Respondent requested that Claimants' Statement of Claim be dismissed, and such other and further relief as the Panel deems just and proper.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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

By the parties' mutual agreement, as evidenced in Respondent's August 15, 2003 letter, the parties selected the undersigned arbitrators to serve on the Panel in this matter.

The initial pre-hearing conference in this matter was originally scheduled for August 20, 2003 and, at the joint request of the parties, was rescheduled to September 15, 2003. The rescheduled initial pre-hearing conference was also canceled.

By letters dated June 3, 2004, October 13, 2004, and January 5, 2005, the parties were asked to provide mutually agreeable dates for rescheduling the initial pre-hearing conference in this matter. To date, NASD Dispute Resolution has not received any responses.

The Panel, after due deliberation, determined to dismiss this matter with prejudice.

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 and the parties' abandonment of the claim, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are dismissed, with prejudice, in their entirety.
2. 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	= \$300.00
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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, Inc. f/k/a Salomon Smith Barney, Inc. is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00

**Fee Summary**

1. Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 300.00
<u>Total Fees</u>	= \$ 300.00
<u>Less payments</u>	= \$1,575.00
<u>Refund Due Claimants</u>	= \$1,275.00

2. Respondent is solely liable for:

<u>Member Fees</u>	= \$2,450.00
<u>Total Fees</u>	= \$2,450.00
<u>Less payments</u>	= \$2,450.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

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

**ARBITRATION PANEL**

Richard N. Goldstein, Esq.	-	Public Arbitrator, Presiding Chairperson
Denise L. Quarles, Esq.	-	Public Arbitrator
Farrell C. Glasser, Esq.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Richard N. Goldstein  
Richard N. Goldstein, Esq.  
Public Arbitrator, Presiding Chairperson

1/31/05  
Signature Date

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Denise L. Quarles, Esq.  
Public Arbitrator

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Signature Date

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Farrell C. Glasser, Esq.  
Non-Public Arbitrator

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Signature Date

February 7, 2005

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Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

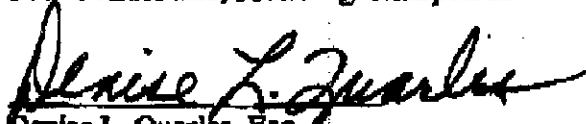
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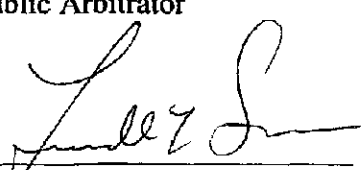
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