

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

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In the Matter of the Arbitration Between:

Carol A. Davey and Carol A. Davey IRA (Claimants) v. Citigroup Global Markets, Inc.  
f/k/a Salomon Smith Barney, Inc. and Anthony Parisi (Respondents)

Case Number: 03-01836

Hearing Site: New York, New York

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Nature of the Dispute: Customers v. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimants Carol A. Davey ("Davey") and Carol A. Davey IRA ("Davey IRA") hereinafter collectively referred to as "Claimants": G. Martin Meyers, Esq., Law Offices of G. Martin Meyers, P.C., Denville, NJ.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Anthony Parisi ("Parisi") hereinafter collectively referred to as "Respondents": David J. Libowsky, Esq., Bressler, Amery & Ross, P.C., Florham Park, NJ.

**CASE INFORMATION**

Statement of Claim filed on or about: March 12, 2003.

Claimants signed the Uniform Submission Agreement: March 3, 2003.

Statement of Answer filed by Respondents on or about: May 22, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: May 8, 2003.

Respondent Parisi signed the Uniform Submission Agreement: May 20, 2003.

**CASE SUMMARY**

Claimants asserted the following causes of action: breach of fiduciary duty; unsuitability; negligence; and breach of contract. Claimants' claim involved shares of common stock and mutual funds.

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

**RELIEF REQUESTED**

Claimants requested compensatory damages in the amount of \$179,000.00; interest; costs

and attorneys' fees; and punitive damages.

Respondents requested that the Statement of Claim be dismissed with prejudice; costs and expenses, including reasonable attorneys' fees; and such other and further relief as the Panel deems just and proper.

### **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, and 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 Citigroup is liable for and shall pay to Claimant Davey compensatory damages in the amount of \$85,000.00
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
Hearing process fee	= \$2,750.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

April 14-16, 2004, adjournment by Claimants = \$1,125.00

**Forum Fees and Assessments**

The Panel has assessed forum fees for each session conducted. 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:

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00  
Pre-hearing conference: October 20, 2003 1 session

Six (6) Hearing sessions @ \$1,125.00 = \$6,750.00  
Hearing Dates: August 18, 2004 2 sessions  
August 19, 2004 2 sessions  
August 20, 2004 2 sessions

Total Forum Fees = \$7,875.00

1. The Panel has assessed \$3,937.50 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$3,937.50 of the forum fees against jointly and severally against Respondents.

**Fee Summary**

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Adjournment Fee	= \$1,125.00
<u>Forum Fees</u>	<u>= \$3,937.50</u>
Total Fees	= \$5,362.50
<u>Less payments</u>	<u>= \$1,575.00</u>
Balance Due NASD Dispute Resolution	= \$3,787.50

2. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	<u>= \$5,200.00</u>
Total Fees	= \$5,200.00
<u>Less payments</u>	<u>= \$5,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$3,937.50</u>
Total Fees	= \$3,937.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$3,937.50


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

**ARBITRATION PANEL**

Joel P. Mellis, Esq.	-	Public Arbitrator, Presiding Chairperson
Alan E. Gross, Ph.D	-	Public Arbitrator
Louis Wald, 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 is which is my award.

  
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Joel P. Mellis, Esq.  
Public Arbitrator, Presiding Chairperson

8/26/04  
\_\_\_\_\_  
Signature Date

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Alan E. Gross, Ph.D  
Public Arbitrator

\_\_\_\_\_  
Signature Date

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Louis Wald, Esq.  
Non-Public Arbitrator

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Signature Date

September 2, 2004

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Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

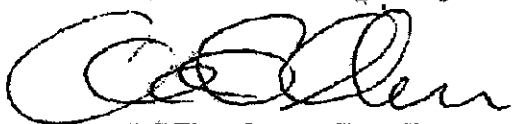
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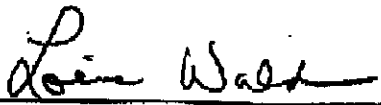
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Public Arbitrator, Presiding Chairperson

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