

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

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In the Matter of the Arbitration Between:

Frank Iovanella (Claimant) v. Salomon Smith Barney (Respondent)

Case Number: 03-05254

Hearing Site: Boston, Massachusetts

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Nature of the Dispute: Customer vs. Member

**REPRESENTATION OF PARTIES**

Claimant, Frank Iovanella ("Iovanella") hereinafter referred to as "Claimant": W. Thomas Smith, Esq., Sugarman & Sugarman PC, Boston, MA.

Respondent, Salomon Smith Barney n/k/a Citigroup Global Markets, Inc. ("Salomon") hereinafter referred to as "Respondent": John A. Stern, Esq., Greenberg, Traurig.

**CASE INFORMATION**

Statement of Claim filed on or about: July 17, 2003.

Claimant signed the Uniform Submission Agreement: July 15, 2003.

Statement of Answer filed by Respondent on or about: September 9, 2003.

Respondent signed the Uniform Submission Agreement: September 10, 2003.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract, negligence, failure to supervise, breach of fiduciary duty, misrepresentations, non-disclosures, and omission of facts. The causes of action relate to World Com, Inc., World Com Group, and GA New MCI Group.

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	\$ 717,024.00
Interest	\$ Unspecified
Attorneys' Fees	\$ Unspecified

Other Costs

\$ Unspecified

Other Non-Monetary:

\$ Unspecified

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

On or about May 31, 2005, Claimant and Respondent submitted Post Hearing Briefs. The Panel held a telephonic conference on June 16, 2005, to review the post hearing submissions. After due consideration, the Panel agreed to dismiss the complaint.

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, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are dismissed in their entirety.
2. The parties shall equally bear their respective costs in this matter.
3. 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 = \$ 375.00

#### **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, Salomon is a party.

Member surcharge = \$ 2,250.00  
Pre-hearing process fee = \$ 750.00  
Hearing process fee = \$ 4,000.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

September 20-22, 2004, adjournment requested by the parties = \$1,200.00  
January 10-12, 2004, adjournment requested by the parties = \$1,500.00

**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 a single arbitrator @ \$450.00 = \$ 450.00  
Pre-hearing conference: June 29, 2004 1 session

Three (3) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 3,600.00  
Pre-hearing conferences: January 23, 2004 1 session  
April 27, 2004 1 session  
August 18, 2004 1 session

Seven (7) Hearing sessions @ \$1,200.00 = \$ 8,400.00  
Hearing Dates: May 4, 2005 2 sessions  
May 5, 2005 2 sessions  
May 6, 2005 2 sessions  
May 17, 2005 1 session

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Total Forum Fees = \$ 12,450.00

1. The Panel has assessed \$ 6,225.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 6,225.00 of the forum fees to Respondent.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Adjournment Fees	= \$ 1,350.00
Forum Fees	= \$ 6,225.00
Total Fees	= \$ 7,950.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 6,375.00

2. Respondent, Salomon, is solely liable for:

Member Fees	= \$ 7,000.00
Adjournment Fee	= \$ 1,350.00
Forum Fees	= \$ 6,225.00
Total Fees	= \$ 14,575.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 7,575.00

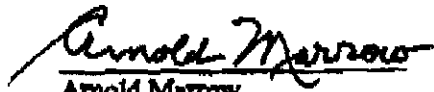
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

Arnold Marrow	-	Public/Non-Public Arbitrator, Presiding Chairperson
Marc McDonald	-	Public/Non-Public Arbitrator
Jack Marshall	-	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.



Arnold Marrow  
Public Arbitrator, Presiding Chairperson

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

\_\_\_\_\_  
Marc McDonald  
Public Arbitrator

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

\_\_\_\_\_  
Jack Marshall  
Non-Public Arbitrator

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

June 21, 2005  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

Arnold Marrow	-	Public/Non-Public Arbitrator, Presiding Chairperson
Marc McDonald	-	Public/Non-Public Arbitrator
Jack Marshall	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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\_\_\_\_\_  
Arnold Marrow  
Public Arbitrator, Presiding Chairperson

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

\_\_\_\_\_  
Marc McDonald  
Public Arbitrator

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

  
\_\_\_\_\_  
Jack Marshall  
Non-Public Arbitrator

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

June 27, 2005  
Date of Service (For NASD Dispute Resolution use only)