

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

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In the Matter of the Arbitration Between:

Richard Clayton Evans and Susan Parmele Evans, JTWROS, and Richard Clayton Evans IRA (Claimants) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman (Respondents)

Case Number: 03-05273

Hearing Site: Albany, New York

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

**REPRESENTATION OF PARTIES**

Claimants Richard Clayton Evans and Susan Parmele Evans, JTWROS ("The Evans"), and Richard Clayton Evans IRA ("Evans IRA") hereinafter collectively referred to as "Claimants": James Richard Hooper, Esq., Hooper & Weiss, L.L.C., Orlando, FL.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Jack B. Grubman ("Grubman") hereinafter collectively referred to as "Respondents": Bradford D. Kaufman, Esq., Greenberg Traurig, P.A., West Palm Beach, FL.

**CASE INFORMATION**

Statement of Claim filed on or about: July 18, 2003.

Amended Statement of Claim filed on or about: December 1, 2004.

Claimant Richard Clayton Evans signed the Uniform Submission Agreement: April 15, 2003.

Joint Statement of Answer filed by Respondents on or about: September 11, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: September 23, 2003.

Respondent Grubman signed the Uniform Submission Agreement: September 24, 2003.

**CASE SUMMARY**

Claimants asserted the following causes of action: omission of fact; violation of Section 17(a) of the Securities Act of 1933; violation of Chapter 517.301 of the Florida Securities and Investor Protection Act; violation of NASD Rule 2210(d)(1); breach of fiduciary duty; and respondeat superior. The causes of action relate to shares of WorldCom stock.

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 rescissory damages in the amount of \$16,040.62; punitive damages; interest; costs; attorneys' fees; and such other damages the Panel deems appropriate.

Respondents requested that Claimants' Statement of Claim be denied in its entirety, and dismissed with prejudice, with attorneys' fees and costs assessed against the Claimants.

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

At an initial pre-hearing conference held on November 15, 2004, Claimants requested that this matter be heard at a full hearing. They submitted their request and an Amended Statement of Claim. After review of Claimants' submissions and Respondents' Brief Regarding Claimants' Hearing Request, the Arbitrator denied Claimants' request. Additionally, after a review of all submissions, Claimants' claims are denied in their entirety.

### **AWARD**

After considering the pleadings and the parties' submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. The claims of Claimants are denied 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	= \$125.00
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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	= \$425.00
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**Forum Fees and Assessments**

The Arbitrator has assessed forum fees for each session conducted. 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 the sole arbitrator @ \$450.00	= \$450.00
<u>Pre-hearing conference: November 15, 2004 1 session</u>	
Total Forum Fees	= \$450.00

1. The Arbitrator has assessed \$450.00 of the forum fees jointly and severally against Claimants.

**Fee Summary**

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$125.00
<u>Forum Fees</u>	= \$450.00
Total Fees	= \$575.00
<u>Less payments</u>	= \$425.00
Balance Due NASD Dispute Resolution	= \$150.00

2. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$425.00
Total Fees	= \$425.00
<u>Less payments</u>	= \$425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

**ARBITRATOR**

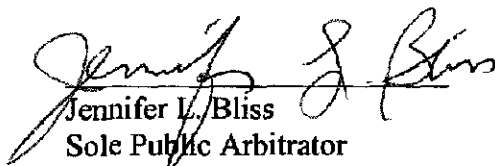
Jennifer L. Bliss

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Sole Public Arbitrator

**Arbitrator's Signature**

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.

  
Jennifer L. Bliss  
Sole Public Arbitrator

1/20/2005  
Signature Date

January 25, 2005  
Date of Service (For NASD Dispute Resolution use only)