

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

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In the Matter of the Arbitration Between:

David L. Weitzman IRA (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman (Respondents)

Case Number: 03-05298

Hearing Site: New York, New York

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

**REPRESENTATION OF PARTIES**

Claimant David L. Weitzman IRA ("Weitzman") hereinafter referred to as "Claimant": Michael B. Lynch, Esq., previously James Richard Hooper, Esq., Hooper & Weiss, LLC, 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": Mark Parmelee, Esq., previously Bradford D. Kaufman, Esq., Greenberg Traurig, P.A., New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: July 21, 2003.

Claimant signed the Uniform Submission Agreement: March 21, 2003.

Joint Statement of Answer filed by Respondents on or about: September 17, 2003.

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

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

**CASE SUMMARY**

Claimant asserted the following causes of action: violation of Section 17(a) of the Securities Act of 1933; omission to state material facts; violation of the New Jersey Uniform Securities Law; 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 compensatory damages in the amount of \$62,137.05; punitive damages;

interest; costs; attorneys' fees; and such other damages the Panel deems appropriate. Respondents requested that the claim be dismissed in its entirety.

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

Respondents made a motion to dismiss the Statement of Claim. Claimant submitted his reply. On or about September 21, 2004, the Panel met telephonically regarding the motion to dismiss. Following deliberations, the Panel determined to grant Respondents' motion to dismiss, 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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The claims of Claimant are dismissed 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	= \$225.00
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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	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

#### **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 @ \$750.00	= \$750.00
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Pre-hearing conference: January 12, 2004	1 session
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Total Forum Fees	= \$750.00
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1. The Panel has assessed \$750.00 of the forum fees against Claimant.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$ 750.00
Total Fees	= \$ 975.00
<u>Less payments</u>	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$3,550.00
Total Fees	= \$3,550.00
<u>Less payments</u>	= \$3,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

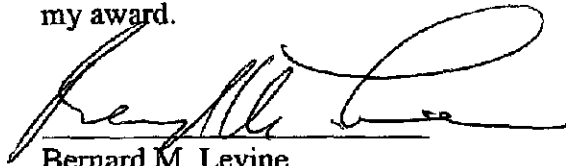
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

Bernard M. Levine	-	Public Arbitrator, Presiding Chairperson
Robin R. Henry	-	Public Arbitrator
Gregory E. Sohns, 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.



Bernard M. Levine  
Public Arbitrator, Presiding Chairperson

11/4/04  
Signature Date

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Robin R. Henry  
Public Arbitrator

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

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Gregory E. Sohns, Esq.  
Non-Public Arbitrator

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Signature Date

October 28, 2004  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

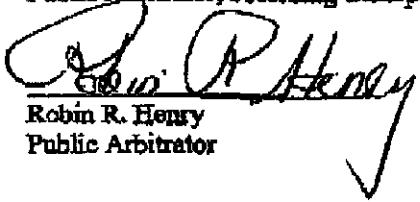
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Signature Date

  
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Robin R. Henry  
Public Arbitrator

Oct. 28, 2004  
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Signature Date

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Non-Public Arbitrator

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Signature Date

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10/27/04  
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Signature Date

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