

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

David Rishel, IRA

Case Number: 03-06536

Names of the Respondents

Citigroup Global Markets, Inc.

Jack B. Grubman

Hearing Site: Philadelphia, Pennsylvania

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

REPRESENTATION OF PARTIES

Claimant, David Rishel, IRA, hereinafter referred to as "Claimant", was represented by James Richard Hooper, Esq., Hooper & Weiss, L.L.C., Orlando, Florida.

Respondents, Citigroup Global Markets, Inc. ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents", were represented by Mark Parmelee, Esq., Greenberg Traurig, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on August 28, 2003.

Claimant signed the Uniform Submission Agreement on July 28, 2003.

Statement of Answer filed by Respondents on November 3, 2003.

Respondent Grubman signed the Uniform Submission Agreement on December 3, 2003.

Claimant filed a Motion to Amend the Statement of Claim and to Supplement the Exhibits on July 29, 2004.

Respondents filed their Opposition to Claimant's Motion to Amend the Statement of Claim and to Supplement the Exhibits on August 20, 2004.

CASE SUMMARY

Claimant, in his Statement of Claim and Amended Statement of Claim asserted the following causes of action, among others: omission of material facts, breach of fiduciary duty, and *respondeat superior*. The causes of action relate to Claimant's purchase of WorldCom stock.

Unless specifically admitted in their Answer and Opposition to the Amended Statement of Claim, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim upon which relief may be granted; Claimant's claims are barred by the doctrines of waiver and estoppel; ratification; Claimant's claims are barred by Claimant's assumption and acceptance of the risk of loss regarding each of the investments in Claimant's account; Claimant's claims are barred by contract; and, Claimant's claims are barred by the doctrine of laches.

RELIEF REQUESTED

Claimant in his Statement of Claim and Amended Statement of Claim requested:

Rescissory Damages	\$ 72,221.64
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Citigroup did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code of Arbitration Procedure (the "Code") and, having answered the claim, is bound by the determination of the Arbitration Panel (the "Panel") on all issues submitted.

The Panel granted Claimant's Motion to Amend the Statement of Claim and to Supplement the Exhibits by Order dated February 10, 2005.

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 denied in their entirety;
2. Respondents are jointly and severally liable to and shall pay to Claimant \$112.50 as reimbursement for one-half of the fee Claimant paid to file this matter;
3. All claims for punitive damages are denied in their entirety;
4. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
5. Any and all relief not specifically addressed herein is denied in its entirety.

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

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent Citigroup is a party.

Member surcharge	= \$ 1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 1,700.00
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$ 750 = \$ 750.00

Pre-hearing conference: March 1, 2004 1 session

Two (2) Hearing sessions @ \$ 750 = \$ 1,500.00

Hearing Date: March 15, 2005 2 sessions

Total Forum Fees = \$ 2,250.00

1. The Panel has assessed \$ 750.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 1,500.00 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

Claimant, Rishel, is assessed and shall pay:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 00.00

Respondent, Citigroup, is assessed and shall pay:

Member Fees	= \$ 3,550.00
Total Fees	= \$ 3,550.00
Less payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 00.00

Respondents, Citigroup and Grubman, are jointly and severally assessed and shall pay:

Forum Fees	= \$ 1,500.00
Total Fees	= \$ 1,500.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 1,500.00

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

ARBITRATION PANEL

Joseph R. Lally, Esq.	-	Public Arbitrator, Presiding Chairperson
Joseph Straus, Jr.	-	Public Arbitrator, Panelist
Glenn J. Hansen, CFP	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Joe R. Lally

Joseph R. Lally, Esq.
Public Arbitrator, Presiding Chairperson

3/24/05
Signature Date

Joseph Straus, Jr.
Public Arbitrator, Panelist

Signature Date

Glenn J. Hansen, CFP
Non-Public Arbitrator, Panelist

Signature Date

March 24, 2005
Date of Service (For NASD Dispute Resolution office use only)

Arbitration No. 03-06536

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Concurring Arbitrators' Signatures

Joseph R. Lally, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Joseph Straus, Jr.
Joseph Straus, Jr.
Public Arbitrator, Panelist

3/23/05
Signature Date

Glenn J. Hansen, CFP
Non-Public Arbitrator, Panelist

Signature Date

March 24, 2005
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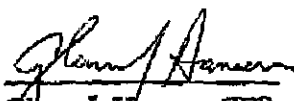
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3/23/05

Signature Date

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