

**NASD DISPUTE RESOLUTION AWARD**  
**NASD DISPUTE RESOLUTION**  
**CASE: 03-06572**

Robert N. Larsen IRA and Marjorie R. Larsen IRA, Claimants v. Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents.

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**ATTORNEYS:**

For Claimants, Robert N. Larsen IRA and Marjorie R. Larsen IRA, ("Claimants"), appeared Douglas H. Glick, Esq., of the Law Offices of Douglas H. Glick, P.A., Orlando, FL.

For Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., and Jack B. Grubman, ("Respondents"), appeared Bradford D. Kaufman, Esq., of the firm Greenberg Traurig, LLP, West Palm Beach, FL.

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**NATURE OF DISPUTE:** Customers v. Member and Associated Person

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**DATE FILED:** September 9, 2003

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**CASE SUMMARY:** Claimants alleged that Respondents violated each of the following: the Securities Act of 1933, Chapter 517.301 of the Florida Securities and Investor Protection Act, NASD Rule 2210(d)(1), and New York Stock Exchange Rule 202.02. Claimants alleged that Respondents breached their fiduciary duty and omitted to state material fact in connection with the offer and sale of WorldCom stock to Claimants. Claimants additionally alleged that Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable under the doctrine of respondeat superior for the unlawful and negligent acts of its representative, Respondent Jack B. Grubman. Claimant maintained that due to Respondents' actions, their accounts suffered financial losses.

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**ARBITRATOR'S REPORT:**

Several factors influenced this decision including SDNY Senior District Judge Milton Pollack's decision and order in the case of "In re: Merrill Lynch & Co., Inc. Global Technology Fund Securities Litigation," 2003 WL 2151883, cited on page 8 of Respondents' Answer to Statement of Claim.

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**Claim Data**

Claim: \$18,906.52  
Punitive: Unspecified  
Interest: Unspecified  
Attorney Fees: Unspecified  
Filing Fees: Unspecified  
Other: Unspecified

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**Award Data**

Award: \$.00  
Punitive: \$.00  
Interest: \$.00  
Attorney Fees: \$.00  
Filing Fees: \$212.50  
Other: \$.00

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**AWARD:** The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of the Claimants are dismissed in their entirety. 2) All requests for punitive damages are denied. 3) All requests for interest are denied. 4) All requests for attorney fees are denied. 5) All other relief requests are denied. 6) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously. 7) Respondents are jointly and severally liable for and shall pay to the Claimant \$212.50 as reimbursement of the filing fee.

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**OTHER FEES:** Pursuant to Rule 10333 of the Code, Respondent Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

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**ARBITRATOR**

Jay E. Eckhaus, Esq. - Sole Public Arbitrator

**AFFIRMATION**

I, Jay E. Eckhaus, Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.

  
Jay E. Eckhaus, Esq.

3-15-2004  
Signature Date

May 3, 2004

Date of Service (For NASD-DR office use only)