

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

David C. Restifo (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc.
and Kevin Doss (Respondents)

Case Number: 04-00608

Hearing Site: Cleveland, Ohio

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

REPRESENTATION OF PARTIES

Claimant David C. Restifo ("Restifo") hereinafter referred to as "Claimant": Thomas A. Muzilla, Esq., McCray, Muzilla, Smith & Meyers Co., LPA, Elyria, OH.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Kevin Doss ("Doss") hereinafter collectively referred to as "Respondents": Jessica E. Price, Esq., Brouse McDowell, Cleveland, OH.

CASE INFORMATION

Statement of Claim filed on or about: January 20, 2004.

Answer of Claimant to Citigroup's Counterclaim filed on or about: July 26, 2004.

Claimant signed the Uniform Submission Agreement: January 27, 2004.

Joint Statement of Answer and Counterclaim of Citigroup filed by Respondents on or about: July 1, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: March 19, 2004.

Respondent Doss did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: *defamation; tortious interference with business; breach of contract; and disability discrimination.* Unless specifically admitted in his Answer to Respondent Citigroup's Counterclaim, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In its Counterclaim, Respondent

Citigroup asserted the following causes of action: failure to repay monies owed pursuant to the terms of the Promissory Note and reimbursement of tax withholding and deductions.

RELIEF REQUESTED

Claimant requested:

- (A) An immediate order directing Respondent Citigroup to release Claimant's account at Respondent Citigroup, which has wrongfully been frozen by Respondent Citigroup since Claimant's wrongful termination in November 2002;
- (B) An award of (1) earned commissions never paid; (2) amount contributed to the Capital Accumulation Account by Claimant; amount in deferred pension plan; (4) Citigroup stock; (5) and any and all other amounts owed to Claimant as compensation or otherwise;
- (C) A return of Claimant's personal items;
- (D) An order requiring Citigroup to withdraw the Form U-5 previously filed with the NASD and issue a replacement Form U-5 containing no reference to any allegations of wrongdoing;
- (E) An award of compensatory damages against Citigroup to remedy the injury caused by the filing of the false Form U-5;
- (F) An order declaring the forgiveness of the principal due under the Note and the cancellation thereof;
- (G) An award of compensatory damages against Respondent Doss to remedy the injury caused by his defamatory statements;
- (H) An award of compensatory damages representing past and future lost wages and benefits, with prejudgment interest at an amount to be determined by the Panel, to remedy the unlawful discrimination due to Claimant's disability; and
- (I) Punitive damages, and costs, including attorneys' fees.

In his Answer to the Counterclaim, Claimant requested that the Counterclaim be dismissed, with prejudice, in its entirety and to award such other relief deemed just and equitable, including without limitation, Claimant's costs and attorneys' fees.

Respondent Citigroup requested:

- (1) Enforcement of the Promissory Note upon its terms;
- (2) Payment in the amount of \$63,246.41 for the outstanding principal balance plus 10% interest due under the Promissory Note;
- (3) Reimbursement of all withholding taxes and deductions paid on behalf of Claimant;
- (4) Reimbursement of costs and fees; and
- (5) Such additional relief as is just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Doss did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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, and the testimony and evidence presented at the hearing, 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. Claimant is liable for and shall pay Respondent Citigroup compensatory damages in the amount of \$88,325.35 (this amount includes pre-award interest), plus interest at the rate of 10% per annum beginning thirty days after the date of the award. The amount paid into the CAP account shall be used to offset the Counterclaim award. Claimant's personal account with Respondent Citigroup currently frozen shall be used to offset the Counterclaim award. All personal possessions of Claimant shall be returned.
3. 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	= \$ 250.00
Counterclaim filing fee	= \$1,000.00

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 persons 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	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,200.00

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:

Two (2) Pre-hearing sessions with Panel @ \$1,000.00	= \$2,000.00
Pre-hearing conferences:	
November 29, 2004	1 session
February 18, 2005	1 session

Four (4) Hearing sessions @ \$1,000.00	= \$4,000.00
Hearing Dates: March 29, 2005 2 sessions	
March 30, 2005 2 sessions	
Total Forum Fees	= \$6,000.00

1. The Panel has assessed \$3,000.00 of the forum fees against Claimant.
2. The Panel has assessed \$3,000.00 of the forum fees jointly and severally against Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Respondents requested photocopying = \$23.25

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
<u>Forum Fees</u>	= \$3,000.00
Total Fees	= \$3,250.00
<u>Less payments</u>	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$1,825.00

2. Respondent Citigroup is solely liable for:

Counterclaim Filing Fee	= \$1,000.00
<u>Member Fees</u>	= \$4,450.00
Total Fees	= \$5,450.00
<u>Less payments</u>	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$1,000.00

3. Respondents are jointly and severally liable for:

Administrative Costs	= \$ 23.25
<u>Forum Fees</u>	= \$3,000.00
Total Fees	= \$3,023.25
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$3,023.25

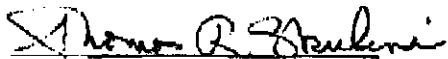
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Thomas R. Skulina, Esq.	-	Public Arbitrator, Presiding Chairperson
Andrew G. Young	-	Public Arbitrator
James Patrick Graven, J.D.	-	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.



Thomas R. Skulina, Esq.
Public Arbitrator, Presiding Chairperson

April 05 05

Signature Date

Andrew G. Young
Public Arbitrator

Signature Date

James Patrick Graven, J.D.
Public Arbitrator

Signature Date

April 11, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

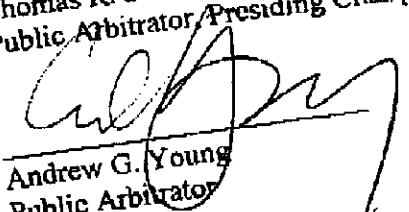
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Public Arbitrator, Presiding Chairperson
Public Arbitrator
Public Arbitrator

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Thomas R. Skulina, Esq.
Public Arbitrator, Presiding Chairperson



Andrew G. Young
Public Arbitrator

Signature Date

Signature Date

Signature Date

James Patrick Graven, J.D.
Public Arbitrator

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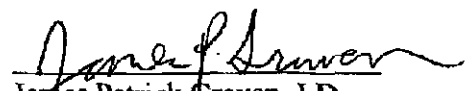
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Thomas R. Skulina, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Andrew G. Young
Public Arbitrator

Signature Date



James Patrick Graven, J.D.
Public Arbitrator

4-5-2005

Signature Date

April 11, 2005

Date of Service (For NASD Dispute Resolution use only)