

**NASD DISPUTE RESOLUTION AWARD**  
**NASD DISPUTE RESOLUTION**

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CASE: 04-00928

The Schurman Company, Claimant v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents

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**ATTORNEYS:**

For Claimant The Schurman Company, ("Claimant"), appeared Marshall P. Richer, Esq., Finkelstein & Partners, Albany, NY.

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, P.A., West Palm Beach, FL.

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

**DATE FILED:** February 12, 2004.

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**CASE SUMMARY:** Claimant alleged Respondents violated each of the following: Section 17(a) of the Securities Act of 1933, Chapter 517.211 and 517.301 of the Florida Securities and Investor Protection Act, NASD Conduct Rules and NYSE Rules. Claimant further alleged that it was defrauded by the Respondents as a result of fraudulent practices in issuing misleading research reports, failing to disclose material conflicts of interest, and that Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable under the doctrine of Respondeat Superior with respect to the offer and sale of WorldCom stock.

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**ARBITRATOR'S REPORT:** Claimant has failed to show that the opinions of Respondents were not justified by the data they had before them, nor that the analyst's reports contained any misrepresentation or inaccuracies. Further, there is no proof that Claimant relied exclusively on these reports.

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**Claim Data**

Claim: \$13,190.60  
Punitive: \$11,800.00  
Interest: Unspecified  
Attorney Fees: Unspecified  
Filing Fees: Unspecified  
Other: Unspecified

**Award Data**

Award: \$.00  
Punitive: \$.00  
Interest: \$.00  
Attorney Fees: \$.00  
Filing Fees: \$.00  
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 Claimant 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.

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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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Stuart M. Rapee, Esq.

Sole Public/Arbitrator

AFFIRMATION

I, Stuart M. Rapee, 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.

  
Stuart M. Rapee, Esq.

7 September 04  
Signature Date

September 17, 2004  
Date of Service (For NASD-DR office use only)