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

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In the Matter of the Arbitration Between:

Name of the Claimant

Robert Y. Ryan, Trustee  
FBO Robert Y. Ryan

Case Number: 04-04119

Names of the Respondents

Citigroup Global Markets, Inc., f/k/a  
Salomon Smith Barney, Inc.  
Jack B. Grubman

Hearing Site: Tampa, Florida

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

**REPRESENTATION OF PARTIES**

For Robert Y. Ryan, Trustee FBO Robert Y. Ryan, hereinafter referred to as "Claimant": Douglas H. Glick, Hooper & Weiss, L.L.C., Orlando, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": Tucker Byrd, Esq., Greenberg Traurig, Orlando, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: June 9, 2004.

Claimant signed the Uniform Submission Agreement: June 5, 2003.

Statement of Answer filed by Respondents on or about: July 26, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: October 5, 2004.

Respondent Grubman signed the Uniform Submission Agreement: October 5, 2004.

Reply to Respondents' Answer to Statement of Claim filed by Claimant on or about: July 30, 2004.

Motion to Proceed solely on the Pleadings and convert the case to a paper case, Supplement Exhibits and to Amend the Statement of Claim ("Motion to Proceed on the Pleadings and Amend the Statement of Claim") filed by Claimant on or about: April 19, 2005.

Response to Motion to Proceed on the Pleadings and Amend the Statement of Claim filed by Respondents on or about: May 3, 2005.

Amended Statement of Claim filed by Claimant on or about: June 7, 2005.

**CASE SUMMARY**

Claimant asserted the following causes of action: omission to state material facts and conflicts of interest in violation of Section 17(a) of the Securities Act of 1933; omission to state material facts and conflicts of interest in violation of Chapter 517.301 of the Florida Securities and Investor Protection Act; omission to state material facts and conflicts of interest in violation of NASD Rule 2210(d)(1), Communications with the Public-General Standards; breach of fiduciary

duty; and, respondeat superior. The causes of action relate to the Claimant's investment in WorldCom stock.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses and other additional defenses.

### **RELIEF REQUESTED**

Claimant requested rescissionary damages in the amount of \$4,255.58, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the undersigned arbitrator (the "Arbitrator").

Respondents requested that Claimant's Statement of Claim be denied in its entirety, and dismissed with prejudice, with attorneys' fees and costs assessed against Claimant.

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

On or about May 5, 2005, the Arbitrator issued an Order which granted Claimant's Motion to Proceed on the Pleadings and Amend the Statement of Claim.

### **AWARD**

After considering the pleadings, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims are dismissed, with prejudice, in their entirety.

Claimant's requests for punitive damages and attorneys' fees are denied.

Any and all claims for relief not specifically addressed herein, including Claimant's claims for relief under Chapter 517, Florida Statutes, are denied.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 50.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Citigroup is a party and a member firm.

Member surcharge	= \$200.00
Total Member Fees	= \$200.00

#### **Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees were assessed during these proceedings.

**Three-Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

There were no three-day cancellation fees assessed during these proceedings.

**Injunctive Relief Fees**

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

**Forum Fees and Assessments**

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

One (1) Pre-hearing session with a single arbitrator @ \$125.00/session	= \$125.00
Pre-hearing conference: September 29, 2004 1 session	
<hr/> Total Forum Fees	<hr/> = \$125.00

The Arbitrator has assessed the entire forum fees of \$125.00 to Claimant.

**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.

There were no administrative costs incurred during these proceedings.

**Fee Summary**

Claimant is solely liable for:

Initial Filing Fee	= \$ 50.00
Forum Fees	= \$125.00
Total Fees	= \$175.00
<u>Less payments</u>	<u>= \$175.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	<u>= \$200.00</u>
Total Fees	= \$200.00

<u>Less payments</u>	<u>= \$200.00</u>
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**

Muriel Desloovere, Esq.

- Public Arbitrator

**Arbitrator's Signature**

/s/  
Muriel Desloovere, Esq.  
Public Arbitrator

Signature Date

July 20, 2005  
Date of Service (For NASD Dispute Resolution office use only)

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Less payments	= \$200.00
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

Muriel Desloovere, Esq.

- Public Arbitrator

Arbitrator's Signature

  
Muriel Desloovere, Esq.  
Public Arbitrator

7-20-05  
Signature Date

Date of Service (For NASD Dispute Resolution office use only)