

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-04495

Richard D. Teichgraeber and Viki I. Teichgraeber, Claimants v. Citigroup Global Markets, Inc.
f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents

ATTORNEYS:

For Claimants Richard D. Teichgraeber and Viki I. Teichgraeber (collectively "Claimants")
appeared Robert Blanchard, Esq., of the firm Levin, Papantonio, Thomas, Mitchell, Echsner &
Proctor, P.A., Pensacola, FL, and Jack K. Robinson, Esq., Heath, TX.

For Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B.
Grubman (collectively "Respondents") appeared Stephen L. Saxl, Esq., of the firm Greenberg
Traurig, P.A., New York, NY.

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

DATE FILED: June 24, 2004.

CASE SUMMARY: Claimants alleged that Respondents omitted to state material facts in
connection with the offer and sale of WorldCom stock. Claimants further alleged that
Respondents violation Section 17(a)(2) of the Securities Act of 1933, violated Chapter 517.301
of the Texas Securities and Investor Protection Act, and violated NASD Rule 2210(d)(1). In
addition, Claimants alleged that Respondents breached their fiduciary duty and that Respondent
Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable to Claimants under the
doctrine of respondeat superior. Claimants maintained that due to Respondents' actions, they
suffered losses.

ARBITRATOR'S REPORT: The Arbitrator finds in favor of the Respondents and dismisses all
of the claims of the Claimants, with prejudice. The evidence of record failed to show any of the
violations alleged by the Claimants. Specifically, the Claimants provided no documentary
evidence to show that they had actually purchased any WorldCom stock, that it had been
purchased during the relevant period, or that it had been purchased through the assistance of
either Respondent. Moreover, the Claimants did not submit documentation to show any
contractual relationship between themselves and the Respondents in the matter of any
WorldCom stock. As such, Claimants' stated causes of action of 1, 3, 4, and 5 must necessarily
fail. Additionally, no violation can be had for the statute named in cause of action number 2
inasmuch as the law cited does not exist.

Claim Data

Claim: \$23,091.73
Punitive: Unspecified
Interest: Unspecified
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$0.00
Punitive: \$0.00
Interest: \$0.00
Attorney Fees: \$0.00
Filing Fees: \$212.50
Other: \$0.00

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 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 Claimants deposited previously. 7) Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable and shall pay Claimants \$106.25 as reimbursement of 25% of the filing fee. 8) Respondent Jack B. Grubman is liable and shall pay Claimants \$106.25 as reimbursement of 25% of the filing fee.

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.

ARBITRATOR

Kathy L. Eisenmenger, Esq. - Sole Public Arbitrator

AFFIRMATION

I, Kathy L. Eisenmenger, 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.

Kathy L. Eisenmenger
Kathy L. Eisenmenger, Esq.

February 7, 2005
Signature Date

February 11, 2005
Date of Service (For NASD-DR office use only)