

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Raul E. Acosta, Claimant v. Citigroup Global Markets Inc. (f/k/a Salomon Smith Barney Inc.), Respondent

Case Number: 06-00426

Hearing Site: Denver, Colorado

Nature of the Dispute: Customer v. Member

REPRESENTATION OF PARTIES

For Claimant:

Raul E. Acosta
Pro Se
Colorado Springs,
Colorado

For Respondent:

Gordon C. Young, Esq.
Keesal, Young & Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: January 26, 2006

Claimant's Uniform Submission Agreement signed: February 7, 2006

Statement of Answer filed by Respondent: April 17, 2006

Respondent's Uniform Submission Agreement signed: April 20, 2006

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty, failure to supervise, and lack of oversight. The causes of action relate to Respondent's administration of MCI Worldcom's employee stock option plan.

Unless specifically admitted in its Answer, Respondent denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$101,656.00 in compensatory damages, \$50,828.00 in punitive damages, and \$304,968.00 in treble damages.

Respondent requested dismissal of Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On April 17, 2006, Respondent filed an Answer to Statement of Claim and Motion to Dismiss. On June 23, 2006, Claimant filed a Response to Motion to Dismiss Claim and Rebut (sic) of [Respondent's] 1st Answers to [Claimant's] Statement of Claim. On September 15, 2006, Respondent filed a Reply Brief in Support of Motion to Dismiss. On October 4, 2006, Claimant filed a Request for Arbitration Settlement of Hearing and Denial of Respondent's Request of Dismissal. On October 20, 2006, the Panel and the parties participated in a pre-hearing conference during which the Panel heard oral argument regarding Respondent's Motion to Dismiss. The Panel deliberated after the pre-hearing conference and reached the following conclusion:

Based on the merits of the case, both as described in the papers submitted and during the October 20, 2006 pre-hearing conference, the Panel unanimously decided to dismiss this matter with prejudice. The Panel's decision was a result of Claimant's failure to provide relevant evidence in support of his claim of fiduciary responsibilities that he alleged were owed to him by Respondent.

The parties 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, Respondent's Motion to Dismiss, the parties' submissions in connection with the motion, and the parties' oral arguments, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are dismissed with prejudice.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) Any and all relief not specifically addressed herein, including punitive and treble damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ waived

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Citigroup Global Markets Inc. is a party, and the following fees are assessed:

Member Surcharge	= \$1,700.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$2,750.00
Total Member Fees	= \$5,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), which lasts four (4) hours or less. The following forum fees are assessed:

Two (2) pre-hearing conference sessions with the Panel	
@ \$1,125.00/session	= \$2,250.00
Pre-hearing conferences: June 22, 2006	1 session
October 20, 2006	1 session
Total Forum Fees	= \$2,250.00

1. The Panel assessed \$1,125.00 of the forum fees to Claimant.
2. The Panel assessed \$1,125.00 of the forum fees to Respondent.

Fee Summary

1. Claimant Raul E. Acosta is charged with the following fees and costs:

Forum Fees	= \$1,125.00
Less payments	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$1,125.00

2. Respondent Citigroup Global Markets Inc. is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 6,325.00
Less payments	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 1,125.00

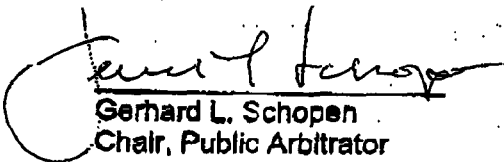
All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Gerhard L. Schopen
Kelly M. Abrams
Jerome C. Zackroff

- **Public Arbitrator, Presiding Chair**
- **Public Arbitrator**
- **Non-Public Arbitrator**

Concurring Arbitrators' Signatures


Gerhard L. Schopen
Chair, Public Arbitrator

10/29/06
Signature Date

Kelly M. Abrams
Public Arbitrator

Signature Date

Jerome C. Zackroff
Non-Public Arbitrator

Signature Date

October 29, 2006
Date of Service

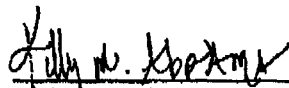
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Kelly M. Abrams	-	Public Arbitrator
Jerome C. Zackroff	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Gerhard L. Schopen
Chair, Public Arbitrator

Signature Date



Kelly M. Abrams
Public Arbitrator

10-27-2006

Signature Date

Jerome C. Zackroff
Non-Public Arbitrator

Signature Date

October 29, 2006

Date of Service

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Chair		
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Chair, Public Arbitrator

Signature Date

Kelly M. Abrams
Public Arbitrator

Signature Date



Jerome C. Zackroff
Non-Public Arbitrator

10/26/06

Signature Date

October 29, 2006

Date of Service