

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

Anthony Grillo, (Claimant) vs. Salomon Smith Barney and Ed Reyman, (Respondents)

Case Number: 99-02852

Hearing Site: New York, New York

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**REPRESENTATION OF PARTIES**

Claimant, Anthony Grillo, hereinafter referred to as "Claimant": Alan Berkun, Esq., a sole practitioner, East Rockaway, NY.

Respondents, Salomon Smith Barney ("Salomon") and Ed Reyman ("Reyman"), hereinafter collectively referred to as "Respondents": Etta M. Gumbs, Esq., First Vice President, Salomon Smith Barney, New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: June 19, 1999.

Claimant signed the Uniform Submission Agreement: May 12, 1999.

Joint Statement of Answer filed by Respondents on or about: August 16, 1999.

Salomon signed the Uniform Submission Agreement: August 27, 1999.

Reyman signed the Uniform Submission Agreement: August 30, 1999.

**CASE SUMMARY**

Claimant asserted the following causes of action: unauthorized transaction and failure to follow instructions.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim fails to state a claim on which relief can be granted; any losses allegedly sustained by Claimant were due to his own decision to buy, hold, or sell the securities at issue; any losses allegedly incurred by Claimant were the result of Claimant's investment decisions; Claimant failed to complain in a timely manner as required by his client agreement; Claimant is barred from recovery by the doctrines of laches, waiver, and estoppel; Claimant failed to mitigate his damages; Claimant authorized, approved, and/or ratified all transactions at issue; at all times mentioned in the Statement of Claim, Salomon maintained an adequate and reasonable system of supervision and control over brokers in its employ; and Claimant's loss/damage calculation is inaccurate and is not grounded in law or fact.

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$40,000.00.

Respondents requested that this matter be dismissed by the Arbitrator.

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

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, the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claim is hereby dismissed in its entirety.
2. Each party shall bear their respective costs of this action, including attorneys' fees.
3. All other requests for relief are hereby denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 175.00
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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 that employed the associated person at the time of the events giving rise to the dispute. In this matter, Salomon Smith Barney is a party.

Member surcharge	= \$ 800.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,000.00

**Forum Fees and Assessments**

The Arbitrator assesses forum fees for each hearing session conducted. A hearing 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 x \$450.00	= \$ 450.00
Pre-hearing conference: March 9, 2000 1 session	
One (1) Hearing session x \$450.00	= \$ 450.00
Hearing Date: August 15, 2000 1 session	
Total Forum Fees	= \$ 900.00

The Arbitrator has assessed all of the forum fees against Claimant.

**Fee Summary**

1. Claimant be and hereby is solely liable for:	
Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 900.00
Total Fees	= \$1,075.00
Less payments	= \$1,600.00
Refund Due Claimant	= \$ 525.00
2. Salomon be and hereby is solely liable for:	
Member Fees	= \$2,400.00
Total Fees	= \$2,400.00
Less payments	= \$2,400.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

All balances are due and payable to NASD Dispute Resolution, Inc.

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**Arbitrator's Signature**

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.



Christopher Coward  
Public Arbitrator

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Signature Date

September 1, 2000

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Date of Service (For NASD office use only)