

2001 WL 1423721

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United States District Court,
D. Massachusetts.

In re CITIGROUP, INC., Capital Accumulation
Plan Litigation,
Johnie F. WEEMS, III, on behalf of himself and
others similarly situated, Plaintiffs

v.

CITIGROUP, INC., Travelers Group, Inc.,
Salomon Smith Barney Holdings, Salomon Smith
Barney Inc., and Primerica Financial Services,
Inc., Defendants

No. MDL-1354(REK), 1:00-11912-REK. | Oct. 26,
2001.

Opinion

MEMORANDUM IN EXPLANATION AND PRACTICE AND PROCEDURE ORDER UNDER 28 U.S.C. § 1407(a)

Order No. 8

KEETON, District J.

*1 The next Case Management Conference (CMC) is set for December 14, 2001, at 1:00 p.m. The next Case Management Conference (CMC) after that is set for February 25, 2002, at 9:00 a.m.

Practice and Procedure Order No. 8 supplements and does not supercede Practice and Procedure Orders Nos. 6 and 7.

I. Rulings at Case Management Conference of October 15, 2001

At the CMC on October 15, 2001, the court made the following rulings after hearing arguments of counsel:

(1) Motion of Massachusetts Plaintiffs to Give Notice of Class Certification (Docket No. 124) is ALLOWED to the extent that it sets forth the means by which class notice shall be accomplished and to the further extent to be stated in Practice and Procedure Order No. 8, and is in all other respects dismissed without prejudice.

(2) Motion of Connecticut Plaintiff William Lomas to Give Notice of Class Certification (Docket No. 125) is ALLOWED to the extent that it sets forth the means by which class notice shall be accomplished and to the further extent to be stated in Practice and Procedure Order No. 8, and is in all other respects dismissed without prejudice.

(3) Motion of Florida Plaintiff to Give Notice of Class Certification (Docket No. 134) is ALLOWED to the extent that it sets forth the means by which class notice shall be accomplished and to the further extent to be stated in Practice and Procedure Order No. 8, and is in all other respects dismissed without prejudice.

(4) The court approves the class definition of the Massachusetts class as presented in Attachment A.

(5) The court approves the Notice for the Massachusetts class as presented in Attachment B.

(6) The court approves the class definition of the Connecticut class as presented in Attachment C.

(7) The court approves the Notice for the Connecticut class as presented in Attachment D.

(8) The court approves the class definition of the Florida class as presented in Attachment E.

(9) The court approves the Notice for the Florida class as presented in Attachment F.

(10) The court defers ruling on the clashing positions of the parties regarding the court's modifying or extending the tentative class description of the Mississippi class (see Docket Nos. 100, 107, 108, 114, and 116).

(11) The court orders that merits discovery may proceed on claims within the classes now certified (Massachusetts, Connecticut, and Florida).

II. Findings and Reasons Supporting Rulings of October 15, 2001

As explained in Part II of this court's Memorandum in Explanation and Practice and Procedure Order No. 6 (Docket No. 94, dated June 27, 2001, and docketed June 28, 2001) the various plaintiff groups presented proposed definitions of classes that are overlapping and conflicting. In Part III of that document, the court stated a "Tentative Solution" for consideration by the parties and initial responsive submissions. The court stated its explanatory finding for its provisional adoption of the "Tentative

solution” in the following way:

*2 Having formulated the tentative class definitions presented in Part III ... and having considered further the likelihood that proceeding in these consolidated cases in this way would be the most promising method for identifying common rules of procedural and substantive law that would facilitate progress toward feasible consolidated class proceedings in which common issues would predominate, I now make the ruling that until this or a higher court orders otherwise, this is and will be the method of proceeding for In Re Citigroup, Inc., Capital Accumulation Plan Litigation, MDL-1354 (REK).

Accordingly, subject to the terms and conditions explained in Part III, above, and in this Part IV of this Memorandum in Explanation, I will, in Practice and Procedure Order No. 6, below, provisionally certify classes defined in the way recited in Part III, above.

Part IV of Practice and Procedure Order No. 6.

At the hearing of October 15, 2001, the court explained additional views of the court, in support of the rulings made during the hearing of October 15, 2001, in the following way:

THE COURT: Why aren't you ... arguing to me that ... this Court has authority to engage in proceedings, whether we call them MDL, class action, or both, in which I am examining limited issues, not the whole claim for anybody but examining limited issues, to determine whether there is such a common set of law and facts in relation to the limited issues that I'm examining that it's appropriate for ... [me to do so because this is an] MDL class action proceeding? And when I get through with that, I don't try to handle the whole case for anybody. Instead, I send it back to the transferor courts reporting what I have done, and then leave them to proceed with whatever has to be done in order to dispose of individual cases.

Now, there are two important advantages of that kind of proceeding over just saying there's nothing class certifiable. One important advantage is that all of the interested parties are brought together in one court so that we don't have an impossible melange of conflicting decisions of different courts that will never get worked out as a practical matter because trying to work it out will mean that all of the resources that were available will have been expended in lawyers' fees, so nobody except the lawyers wins anything out of it.

The other important advantage is that if that is done, the parties at least have an opportunity to consider whether they may not want to ... make some kind of settlement, the terms of which might even include

global settlement of everything, but if it didn't include global settlement of everything, might include settlement of major issues that would leave only elements of individual claims to be dealt with by the transferor courts when the transferee court sends it back to them.

Now, it seems to me that even though the defendant is trying to persuade me I can't do that, that that would be to everybody's advantage if I'm looking not at lawyer interests but claimant interests, party interests on both sides, the plaintiff side and the defense side, and public interest in trying to find some reasonable solution for what otherwise becomes an impossible set of conflicting interests that neither state law nor federal law authorizes any court to deal with.

*3 Now, I'm not sure that I've by any means exhausted the potential advantages of proceeding the way I've suggested, but that's enough to suggest a possible way of doing it.

Now, if I'm going to do that in this case, I'm going to have to do it without anybody supporting me because all of you are arguing that I shouldn't do that. Now, that gives me some concern. It may be that the Court ought to take on that public-interest responsibility, but it would be a whole lot better if the Court took it on with at least somebody who is going to argue to the appellate court, whichever one or ones review what I've done, that what I did was right....

Transcript of Case Management Conference, October 15, 2001, at 30-32 (Docket No. 147).

THE COURT: [Now consider] another problem that has concerned me here ... [E]ven if I construe that agreement and come out ... [plaintiff's] way instead of the defense way, I still have ... to be concerned ... that there are provisions that may be interpreted as inconsistent with overriding rules of law that are built into the precedents and maybe as well some statutory law.

Now, you see, Delaware law is not court law only. It's statutory, Delaware statutory law as well. Now, if it just says "according to Delaware law," I take it I'm supposed to look at the Delaware statutes, maybe even the Delaware constitution, as well as the precedents. And I may also have to think about whether all that body of Delaware law is subject to another body of law about the ... federal Constitutional limitations.

This is a Federal Court ... and I have to be aware that the federal Constitution gives me some authorizations and [places] some limitations on my authorizations, both of which I must be alert to and responsive to. And if, for example, I make the interpretations and come out

saying that there is at least one element of the defense argument here that's a part of my interpretation of what those documents mean, that there are forfeiture provisions, [then another issue is presented for decision. Those forfeiture provisions of the interpreted documents may be] so abhorrent ..., under applicable federal law, if not applicable state law as well, that the forfeiture will not be allowed [In those circumstances, I would] come to ... thinking about [this] possibility ... [that some] limited issues in relation to the forfeiture assertions by the defendant ... are so common and so applicable across the board to all of the potential claims that I can deal with those ... [in this] MDL class action proceeding ... first. [From a] case management point of view, [should I not undertake] any more than that until I've seen how that comes out? ... [I have] already spoken to you about some of the possible advantages of proceeding in that way.

Id. at 36–38.

THE COURT: All right, now, if I am going to narrow this class action definition to be consistent with a certification of the limited kind I'm talking about, I can't possibly use what anybody has proposed to me, and I can't possibly use what I placed before you provisionally as something I would ... [do after] fully considering it [If I have no] proposal from anyone that is acceptable as a class action definition and acceptable as a notice to go along with it, ... then we're stuck on dead center. And if nobody else is going to get us off dead center, then all I have left to think about is whether I have to take it off the dead center or simply say, "Well, I'll give you a little more time." Of course I'll give you more time for discovery in relation to class certification, not in relation to the merits. And if I do it, something of that kind, I want to make clear that the fact that an issue relates to the merits does not keep it from being permissible as an issue for discovery because if it also relates to certification, the fact that it might also relate to the merits is irrelevant, irrelevant to the question whether I allow the discovery in relation to certification.

*4 Now, the parties may be sensible enough that once you have a witness there, you go on and finish with the witness instead of making it necessary to take a lot of depositions over again, and any order that I enter will give you that permission, but it will also prohibit inquiries to which there is no reasonable argument to be presented to me that the discovery proposed relates to certification.

Id. at 39–40.

THE COURT: ... [Though I cannot decide today] all of these things that you've asked me to decide today ..., I do think that I should consider approving the class

certification of at least the Massachusetts and Connecticut classes and get that notice out reasonably promptly. Now, before I can do that, I need to have the precise language that will be in my order and in the notice, and what I am contemplating is at this point a practice and procedure order that does that and does not deal with all the other issues ... until I have made some more rulings. And what I'll be doing is taking under advisement everything that's been argued to me today but not promising you a single practice and procedure order that responds to all of them. Instead, ... [I will take] it in steps, and the first step [will concern just] Massachusetts and Connecticut.

[O]nce we get that [step] formulated, which I hope we might do even today ..., [then I will consider] submissions placed before me that track what we've done in the Massachusetts and Connecticut [classes]....

Now, I realize, Mr. Dougherty, that what I am proposing to do is contrary to what you're arguing to me, but your argument that there are deductions as well as payouts ..., [if accepted by me, would mean] that I cannot fashion an appropriate class certification [and] class definition.... [That argument] is not persuasive to me. You see, there's a lot of difference between deductions that might even in some cases, when they are finally determined individually, ... [come] down to zero, and declaring a forfeiture of the kind that you're asking me to declare. And so I think we can deal with that problem and have an appropriate class certification and a class definition, and... [not try to decide a] final outcome of the forfeiture claims until I get to a further stage of the proceeding. What I'm doing now would only be certifying the class and approving the notice that would go out to help people understand what it is.

Id. at 59–61.

THE COURT: [As to the suggestion that I order a stay of publication of notices pending appeal,] my present view of the matter is, for the reason that there is an interest under the law of Massachusetts and Connecticut in having this certification made reasonably promptly, that I should deny that stay. But what I would propose to do as a matter of practical form is that I would not order that that notice go out before a couple of weeks [or a bit longer] after the date I have made my order so that you would have time to ask the Court of Appeals to stay my order.

*5 In other words, I'm saying my view would be—and I should express it so the Court of Appeals will understand also what I'm doing—that I don't think it should be stayed, but of course they have the authority to override my views.

Id. at 63.

In accordance with these views and others I stated at the June 27 and October 15, 2001 Case Management Conferences, I find that the prerequisites to class certification under Rule 23(a) are satisfied with respect to the Massachusetts, Connecticut, and Florida plaintiffs. *See Key v. Gillette Co.*, 782 F.2d 5, 6 (1st Cir.1986) (all four requirements of Rule 23(a) must be met). Specifically, with classes defined and limited as provided in this Memorandum in Explanation, I find that the persons within each class are so numerous that joinder of all members is impracticable, that there are questions of law and fact common to the members within the class, that the claims and defenses of the representative parties are typical of the claims and defenses of the class, and that the representative parties will fairly and adequately protect the interests of the class. I also conclude that these actions are maintainable as class actions under Rule 23(b) because questions of law and fact common to the members of each class predominate over any questions affecting individuals, and because a class action is superior to other available methods for the fair and efficient adjudication of these controversies.

Practice and Procedure Order No. 8

For the reasons stated and on the findings stated in the foregoing Memorandum in Explanation, it is ORDERED:

- (1) Motion of Massachusetts Plaintiffs to Give Notice of Class Certification (Docket No. 124) is ALLOWED to the extent explained in the memorandum above, and is in all other respects dismissed without prejudice.
- (2) Motion of Connecticut Plaintiff William Lomas to Give Notice of Class Certification (Docket No. 125) is ALLOWED to the extent explained in the memorandum above, and is in all other respects dismissed without prejudice.
- (3) Motion of Florida Plaintiff to Give Notice of Class Certification (Docket No. 134) is ALLOWED to the extent explained in the memorandum above, and is in all other respects dismissed without prejudice.
- (4) The court approves the class definition of the Massachusetts class as presented in Attachment A.
- (5) The court approves the Notice for the Massachusetts class as presented in Attachment B.
- (6) The court approves the class definition of the Connecticut class as presented in Attachment C.
- (7) The court approves the Notice for the Connecticut class as presented in Attachment D.

(8) The court approves the class definition of the Florida class as presented in Attachment E.

(9) The court approves the Notice for the Florida class as presented in Attachment F.

(10) The court defers ruling on the clashing positions of the parties regarding the court's modifying or extending the tentative class description of the Mississippi class (see Docket Nos. 100, 107, 108, 114, and 116).

*6 (11) The court orders that merits discovery may proceed on claims within the classes now certified (Massachusetts, Connecticut, and Florida).

(12) The court orders the defendants to produce, within 14 days, to counsel for the Massachusetts, Connecticut, and Florida classes the names and last known addresses of all persons falling within the respective state's class definition.

(13) The court orders counsel for the Massachusetts, Connecticut, and Florida plaintiffs to mail the approved class notices within 14 business days after receipt of the names and addresses of class members, and to publish such notices within 21 days thereafter.

Attachment A

MASSACHUSETTS CLASS DEFINITION

ALL FORMER EMPLOYEES OF CITIGROUP, SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN MASSACHUSETTS WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER DECEMBER 3, 1993 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

Attachment B

NOTICE OF CLASS ACTION

Massachusetts Class

This notice may affect your rights. Please read carefully.

TO: ALL FORMER EMPLOYEES OF CITIGROUP, SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN MASSACHUSETTS WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER DECEMBER 3, 1993 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

Your rights may be affected by a lawsuit pending in this court, Civil Action No. 00-10055-REK. Maxwell Peckler, Gary H. Cohen, James B. Pinder, and Avery L. Williams (“the named plaintiffs”) allege that they were unlawfully required, under the terms of defendants’ Capital Accumulation Plan (“the CAP Plan”), to forfeit portions of their earned income, and/or shares of stock or stock options that were purchased with that earned income, upon termination of their employment with defendants. The defendants deny the allegations of forfeiture and deny that the forfeitures were unlawful.

The court has not ruled on the merits of the plaintiffs’ allegations. However, some matters have arisen during the preparation of this case for trial that affect former employees of the defendants who were not previously parties to the lawsuit. The purpose of this notice is to advise you of these events and their potential effect on your rights.

Class–Action Ruling

The court has provisionally ruled that this lawsuit may be maintained as a class action for treble money damages and/or equitable relief (including the return of forfeited stock), attorneys’ fees, and costs, not only on behalf of the named plaintiffs, but also on behalf of a class of similarly situated individuals. The court’s order, dated October 26, 2001, provided the following definition of the class:

***7 ALL FORMER EMPLOYEES OF CITIGROUP,**

SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN MASSACHUSETTS WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER DECEMBER 3, 1993 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION.

The court has appointed the named plaintiffs as representatives of this class and their attorneys, Michael A. Collora, David A. Bunis, and Jill Gaulding of DWYER & COLLORA, LLP, as counsel for the class.

This ruling by the court does not mean that members of the class will obtain damages, because the merits of the plaintiffs’ claims have not yet been decided. Rather, the ruling means that the final outcome of this lawsuit—whether favorable to the plaintiffs or to the defendants—will apply in like manner to every class member, that is, to all individuals who fall into the class above who do not timely elect to be excluded from the class.

Election by Class Members

If you fit the above description of a class member, you have a choice whether or not to remain a member of the class on whose behalf this suit is being maintained. Either choice will have consequences, which you should understand before making your decision.

1. If you want to be excluded from the class, you must complete the enclosed form (“Exclusion Request”) and return it to Attorney Michael A. Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210, by ordinary mail, postmarked on or before January 4, 2002, which is exactly six weeks from the publication of this notice. By making this election to be excluded,

(a) you will not share in any damages that might be paid to members of the class as a result of trial or settlement of this lawsuit;

(b) you will not be bound by any decision in this lawsuit favorable to defendants; and

(c) you may present any claims you have against the defendants by filing your own lawsuit, or you may seek to intervene in this lawsuit.

2. If you want to remain a member of the class, you should NOT file the "Exclusion Request" and are not required to do anything at this time. By remaining a class member, any claims you may have against the defendants for damages arising from the forfeiture provisions of the CAP Plan, as alleged by the class representatives, will be determined in this case and cannot be presented in any other lawsuit.

Rights and Obligations of Class Members

If you remain a member of this class:

1. The named plaintiffs and their attorneys from DWYER & COLLORA, LLP will act as your representatives and counsel for the presentation of the charges against the defendants. If you desire, you may also appear by your own attorney. You may also seek to intervene in the lawsuit individually and may advise the court if at any time you feel that you are not being fairly and adequately represented by the named plaintiffs and their attorneys at DWYER & COLLORA, LLP.

*8 2. Your participation in any recovery which may be obtained from the defendants through trial or settlement will depend on the results of this lawsuit. If no recovery is obtained by the class, you will be bound by that result also.

3. You will be entitled to notice of any ruling reducing the size of the class and also to notice of, and an opportunity to be heard respecting, any proposed settlement or dismissal of the class claims. (For this reason, as well as to participate in any recovery, you are requested to notify Attorney Michael Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210, of any corrections or changes in your name or address.)

Additional Information

Any questions you have concerning the matters contained in this notice (and any corrections or changes of name or address) should NOT be directed to the court but should be directed in writing to Attorney Michael A. Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210. Attorney Michael A. Collora, David A. Bunis, or Jill Gaulding will contact you by phone, mail, or e-mail in order to answer your questions.

You may, of course, seek the advice and guidance of your own attorney if you desire. The pleadings and other records in this litigation may be examined and copied at

any time during regular business hours at the office of the Clerk of the United States District Court for the District of Massachusetts, United States Courthouse, One Courthouse Way, Suite 2300, Boston, MA 02210.

Reminder as to Time Limit

If you wish to be excluded from the class on whose behalf this action is being maintained, return the completed "Exclusion Request" to the address given above by mail postmarked on or before January 4, 2002.

Attachment C

CONNECTICUT CLASS DEFINITION

ALL FORMER EMPLOYEES OF CITIGROUP, SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN CONNECTICUT WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER MARCH 13, 1994 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

Attachment D

NOTICE OF CLASS ACTION

Connecticut Class

This notice may affect your rights. Please read carefully.

TO: ALL FORMER EMPLOYEES OF CITIGROUP, SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN CONNECTICUT WHO

PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER MARCH 13, 1994 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

Your rights may be affected by a lawsuit pending in this court, Civil Action No. No. 00-11863-REK, D. Conn. No. 3:00-674. William Lomas (“the named plaintiff”) alleges that he was unlawfully required, under the terms of defendants’ Capital Accumulation Plan (“the CAP Plan”), to forfeit portions of his earned income, and/or shares of stock or stock options that were purchased with that earned income, upon termination of his employment with defendants. The defendants deny the allegations of forfeiture and deny that the forfeitures were unlawful.

*9 The court has not ruled on the merits of the plaintiff’s allegations. However, some matters have arisen during the preparation of this case for trial that affect former employees of the defendants who were not previously parties to the lawsuit. The purpose of this notice is to advise you of these events and their potential effect on your rights.

Class–Action Ruling

The court has provisionally ruled that this lawsuit may be maintained as a class action for double money damages and/or equitable relief (including the return of forfeited stock), attorneys’ fees, and costs, not only on behalf of the named plaintiff, but also on behalf of a class of similarly situated individuals. The court’s order, dated October 26, 2001, provided the following definition of the class:

ALL FORMER EMPLOYEES OF CITIGROUP, SALOMON SMITH BARNEY, TRAVELERS GROUP, INC., OR RELATED AND AFFILIATED COMPANIES IN CONNECTICUT WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION WHO RESIGNED OR WHO WERE TERMINATED ON OR AFTER MARCH 13, 1994 AND AS A CONSEQUENCE LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS

OF THE PLAN UPON TERMINATION.

The court has appointed the named plaintiff as representative of this class and his attorneys, Michael A. Collora, David A. Bunis, and Jill Gaulding of DWYER & COLLORA, LLP, as counsel for the class.

This ruling by the court does not mean that members of the class will obtain damages, because the merits of the plaintiff’s claims have not yet been decided. Rather, the ruling means that the final outcome of this lawsuit—whether favorable to the plaintiff or to the defendants—will apply in like manner to every class member, that is, to all individuals who fall into the class above who do not timely elect to be excluded from the class.

Election by Class Members

If you fit the above description of a class member, you have a choice whether or not to remain a member of the class on whose behalf this suit is being maintained. Either choice will have consequences, which you should understand before making your decision.

1. If you want to be excluded from the class, you must complete the enclosed form (“Exclusion Request”) and return it to Attorney Michael A. Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210, by ordinary mail, postmarked on or before January 4, 2002, which is exactly six weeks from the date of publication of this notice. By making this election to be excluded,

(a) you will not share in any damages that might be paid to members of the class as a result of trial or settlement of this lawsuit;

(b) you will not be bound by any decision in this lawsuit favorable to defendants; and

(c) you may present any claims you have against the defendants by filing your own lawsuit, or you may seek to intervene in this lawsuit.

2. If you want to remain a member of the class, you should NOT file the “Exclusion Request” and are not required to do anything at this time. By remaining a class member, any claims you may have against the defendants for damages arising from the forfeiture provisions of the CAP Plan, as alleged by the class representative, will be determined in this case and cannot be presented in any other lawsuit.

Rights and Obligations of Class Members

*10 If you remain a member of this class:

1. The named plaintiff and his attorneys from DWYER & COLLORA, LLP will act as your representative and counsel for the presentation of the charges against the defendants. If you desire, you may also appear by your own attorney. You may also seek to intervene in the lawsuit individually and may advise the court if at any time you feel that you are not being fairly and adequately represented by the named plaintiff and his attorneys at DWYER & COLLORA, LLP.

2. Your participation in any recovery which may be obtained from the defendants through trial or settlement will depend on the results of this lawsuit. If no recovery is obtained by the class, you will be bound by that result also.

3. You will be entitled to notice of any ruling reducing the size of the class and also to notice of, and an opportunity to be heard respecting, any proposed settlement or dismissal of the class claims. (For this reason, as well as to participate in any recovery, you are requested to notify Attorney Michael Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210, of any corrections or changes in your name or address.)

Additional Information

Any questions you have concerning the matters contained in this notice (and any corrections or changes of name or address) should NOT be directed to the court but should be directed in writing to Attorney Michael A. Collora, DWYER & COLLORA, LLP, 600 Atlantic Avenue, Boston, MA 02210. Attorney Michael A. Collora, David A. Bunis, or Jill Gaulding will contact you by phone, mail, or e-mail in order to answer your questions.

You may, of course, seek the advice and guidance of your own attorney if you desire. The pleadings and other records in this litigation may be examined and copied at any time during regular business hours at the office of the Clerk of the United States District Court for the District of Massachusetts, United States Courthouse, One Courthouse Way, Suite 2300, Boston, MA 02210.

Reminder as to Time Limit

If you wish to be excluded from the class on whose behalf

this action is being maintained, return the completed "Exclusion Request" to the address given above by mail postmarked on or before January 4, 2002.

Attachment E

FLORIDA CLASS DEFINITION

ALL FORMER EMPLOYEES OF SALOMON SMITH BARNEY IN FLORIDA WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION AND LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

Attachment F

NOTICE OF CLASS ACTION

Florida Class

TO: ALL FORMER EMPLOYEES OF SALOMON SMITH BARNEY IN FLORIDA WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION AND LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

*11 PLEASE TAKE NOTICE that pursuant to the October 26, 2001 Order of the United States District Court for the District of Massachusetts (the "Court"), this case has been certified as a class action on behalf of a former Salomon Smith Barney employee and all other employees who were employed by Salomon Smith Barney in Florida and were participants in the Citigroup, Inc. Capital Accumulation Plan ("CAP"), Travelers Group, Inc. CAP and/or Travelers, Inc. CAP. Plaintiff contends that he and all members of the class have been harmed by defendants' actions in that they forfeited

earned income in the form of CAP stock, options and/or other earned income. Defendants deny these allegations and maintain that class members have benefitted from their participation in CAP without forfeiting any earned income.

By Order dated October 26, 2001, the Honorable Robert E. Keeton certified the class action and defined the Florida Class as follows:

ALL FORMER EMPLOYEES OF SALOMON SMITH BARNEY IN FLORIDA WHO PARTICIPATED IN THE CAPITAL ACCUMULATION PLAN OF CITIGROUP, INC., TRAVELERS GROUP, INC., TRAVELERS, INC., AND/OR PRIMERICA CORPORATION AND LOST THE RIGHT TO RECEIVE SHARES OF STOCK AND/OR OPTIONS AND/OR OTHER EARNED INCOME UNDER THE TERMS OF THE PLAN UPON TERMINATION

If you are a member of the class you will be bound by any judgment entered in this action, whether the judgment is favorable or unfavorable to the class.

If you do not wish to be included as a member of the class of Plaintiffs in this action, you may be excluded by completing the form of "Exclusion Request" enclosed with this notice, signing it, and mailing it to lead counsel for plaintiffs, Bruce H. Nagel, Nagel Rice Dreifuss & Mazie, LLP, 301 South Livingston Avenue, Suite 201, Livingston, New Jersey 07039 by ordinary mail, postmarked on or before January 4, 2002, which is exactly six weeks from the date of publication of this

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notice. If your "Exclusion Request" is timely received (a) you will be excluded from the class; (b) you will not be allowed to share in the recovery, if any; and (c) you will not be precluded from prosecuting your own claim as you will be if you do not exclude yourself from the class.

The name and address of Plaintiffs' lead counsel, who is representing the class is: Bruce H. Nagel, Nagel Rice Dreifuss & Mazie, LLP, 301 South Livingston Avenue, Suite 201, Livingston, New Jersey 07039.

The name and address of defendant's lead counsel is: Seth Schwartz, Esq., Skadden Arps Meagher & Flom, LLP, 4 Times Square, New York, New York 10036.

If you have any questions regarding this notice or the action it describes please address them in writing to class counsel for the Plaintiffs.

The pleadings and other papers filed in this action are public record and are available for inspection in the office of the Clerk of the United States District Court for the District of Massachusetts, United States Courthouse, 1 Courthouse Way, Suite 2300, Boston, Massachusetts 02210, during the regular business hours of each business day.

***12** This notice is not to be construed as an expression of any opinion by the Court with respect to the merits of the representative claims or defenses. This notice and the attached "Exclusion Request" are provided merely to advise you of the pendency of the action and the rights you may have with respect to it as mentioned above.

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