

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 03-00305

Louis and Judith Freeman, Claimants v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., and Jack B. Grubman, Respondents

ATTORNEYS:

For Claimants, Louis and Judith Freeman, ("Claimants"), appeared James Richard Hooper, Esq., of the firm Hooper & Weiss, L.L.C., Orlando, FL.

For Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, ("Respondents"), appeared Bradford D. Kaufman, Esq., of the firm Greenberg Traurig, P.A., West Palm Beach, FL.

NATURE OF DISPUTE: *Customer v. Member and Associated Person.*

DATE FILED: January 13, 2003.

CASE SUMMARY: Claimants alleged that Respondents violated each of the following: Section 17(a) of the Securities Act of 1933, Chapter 517.301 of the Florida Securities and Investor Protection Act, NASD Rule 2210(d)(1), and the New York Stock Exchange Rule 202.02. Claimants additionally alleged that Respondents breached their fiduciary duty, and omitted to state material facts in connection with the offer and sale of WorldCom stock. Claimants further alleged that Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable for the unlawful and negligent acts of its representative, Respondent Jack B. Grubman, under the doctrine of respondeat superior. Claimants maintained that due to Respondents' actions, their account suffered financial losses.

ARBITRATOR'S SUMMARY: (See Exhibit A)

Claim Data

Claim: \$10,637.60

Claim: Rescission/Restitution and/or Disgorgement
of monies earned by Respondents

Interest: Pre and post judgment at the legal rate

Attorney Fees: Unspecified

Filing Fees: Unspecified

Other: Unspecified

Award Data

Award: \$.00

Award: \$.00

Interest: \$.00

Attorney Fees: \$.00

Filing Fees: \$212.50

Other: \$.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 to the Claimants \$106.50 as a reimbursement of one-quarter of the filing fee. 8) Respondent Jack B. Grubman is liable and shall pay to the Claimants \$106.50 as a reimbursement of one-quarter of the filing fee.

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Award 03-00305

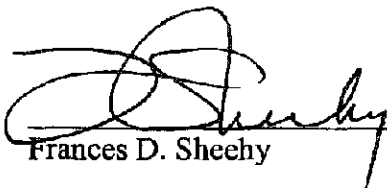
OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

ARBITRATOR

Frances D. Sheehy - Sole Public Arbitrator

AFFIRMATION

I, Frances D. Sheehy, 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.



Frances D. Sheehy

9-24-04
Signature Date

October 4, 2004
Date of Service (For NASD-DR office use only)

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between:

LOUIS FREEMAN AND
JUDITH FREEMAN, JT TEN WROS,
Claimants,
and

NASD CASE NO.03-00305

CITIGROUP GLOBAL MARKETS, INC. f/k/a
SALOMON SMITH BARNEY, INC. and
JACK B. GRUBMAN
Respondents.

ORDER OF DISMISSAL

THIS MATTER came on as a Simplified Case before a single arbitrator of the National Association of Securities Dealers, Inc. (NASD) for consideration. Based on the pleadings, the documents provided, and otherwise being fully advised in the premises,

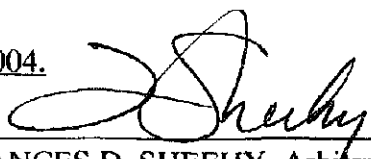
THE FOLLOWING FACTS ARE FOUND:

1. The Claims were not supported by the evidence. Any recovery to which Claimants may be entitled as a wronged shareholder is more appropriately pursued as a shareholder action in the WorldCom bankruptcy proceeding, or against the officers and directors of WorldCom.

THEREFORE, IT IS ORDERED that:

2. All claims are hereby dismissed.
3. NASD Dispute Resolution filing fees are assessed
 - a. 25% against Citigroup Global Markets, Inc.
 - b. 25% against Jack Grubman personally and not to be paid by anyone else.
 - c. 50% against Claimants.

ORDERED in Florida, on this 10th day of September, 2004.


FRANCES D. SHEEHY, Arbitrator