

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 03-00318

Herbert Kelly and Doreen Kelly, Claimants v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents

ATTORNEYS:

For Claimants, Herbert Kelly and Doreen Kelly, ("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: Customers v. Member and Associated Person.

DATE FILED: January 13, 2003.

CASE SUMMARY: Claimants alleged that Respondents violated each of the following: Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934, Chapter 517.301 of the Florida Securities and Investor Protection Act, NASD Conduct Rules and NYSE Rules. Claimant further alleged that they were defrauded by the Respondents as a result of deliberate and willful fraudulent practices in issuing misleading research reports, failing to disclose material conflicts of interest, breaching their fiduciary duties, and denying the Claimants all benefits of independent and objective analysis and meaningful compliance and supervision with respect to the offer and sale of WorldCom stock.

Claim Data

Claim: \$7,510.70
Punitive: Unspecified
Interest: Unspecified
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$.00
Punitive: \$.00
Interest: \$.00
Attorney Fees: \$.00
Filing Fees: \$162.50
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 \$325.00 filing fee that the Claimants deposited previously. 6) Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable and shall pay Claimants \$81.25 as reimbursement of 25% of the filing fee. Respondent Jack B. Grubman is liable and shall pay Claimants \$81.25 as reimbursement of 25% of the filing fee.

Page Two
Award 03-00318

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 \$325.00 Member Surcharge previously invoiced.

Page Three
Award 03-00318

Frank Brenner

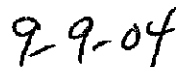
- Sole Public Arbitrator

AFFIRMATION

I, Frank Brenner, 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.



Frank Brenner



Signature Date

September 15, 2004
Date of Service (For NASD-DR office use only)