

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

John E. Plum (Claimant) v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and
Jack B. Grubman (Respondents)

Case Number: 03-00576

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant John E. Plum ("Plum") hereinafter referred to as "Claimant": Mark J. Krudys, Esq.,
Mark J. Krudys, PLC, Richmond, VA.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and
Jack B. Grubman ("Grubman") hereinafter collectively referred to as "Respondents": Hugo A.
Hilgendorff, IV, Esq., Bressler, Amery & Ross, P.C., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: January 23, 2003.

Claimant signed the Uniform Submission Agreement: January 21, 2003.

Joint Statement of Answer filed by Respondents on or about: March 28, 2003.

Respondent Grubman signed the Uniform Submission Agreement: August 13, 2003.

Respondent Citigroup did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; breach of contract;
failure to supervise; common law fraud; violation of federal and state securities statutes;
negligence; and secondary and/or vicarious liability. The causes of action relate to shares of
MCIT stock.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the
Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$227,129.00; the return of commissions, markups, markdowns, margin interest, and other profits; punitive damages in the amount of \$680,000.00; prejudgment interest; costs; attorneys' fees; and any additional relief that the Panel deems appropriate.

Respondents requested that Claimant's Statement of Claim be dismissed with prejudice; costs; attorneys' fees; and other further relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Citigroup did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

At the hearing, Respondent Citigroup filed a Motion in Limine to exclude irrelevant and unrelated matters. The Panel denied the Motion.

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

1. Claimant's claims are denied in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$375.00

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. Accordingly, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

May 10, 12, 13, 17-19, 2004, adjournment by Claimant	= \$1,200.00
February 14-16, 2005, adjournment by Respondents	= \$1,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with Panel @ \$1,200.00	= \$ 2,400.00
Pre-hearing conferences: August 7, 2003 1 session	
January 28, 2005 1 session	

Sixteen (16) Hearing sessions @ \$1,200.00	= \$19,200.00
Hearing Dates: February 28, 2005 2 sessions	
March 1, 2005 2 sessions	
March 21, 2005 2 sessions	
March 22, 2005 2 sessions	
March 23, 2005 2 sessions	
March 24, 2005 2 sessions	
April 1, 2005 2 sessions	
April 29, 2005 2 sessions	

Total Forum Fees = \$21,600.00

1. The Panel has assessed \$10,800.00 of the forum fees against Claimant.
2. The Panel has assessed \$10,800.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:	
Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 1,200.00
<u>Forum Fees</u>	= \$10,800.00
Total Fees	= \$12,375.00
<u>Less payments</u>	= \$ 2,775.00
Balance Due NASD Dispute Resolution	= \$ 9,600.00

2. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 7,000.00
<u>Total Fees</u>	= \$ 7,000.00
<u>Less payments</u>	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Adjournment Fee</u>	= \$ 1,200.00
<u>Forum Fees</u>	= \$10,800.00
<u>Total Fees</u>	= \$12,000.00
<u>Less payments</u>	= \$ 4,000.00
Balance Due NASD Dispute Resolution	= \$ 8,000.00

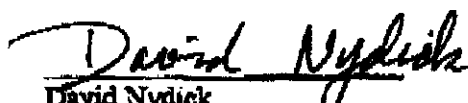
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

David Nydick	-	Public Arbitrator, Presiding Chairperson
Lloyd H. Stomanson, AIA	-	Public Arbitrator
Herbert Z. Geiger, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

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.


David Nydick
Public Arbitrator, Presiding Chairperson


Signature Date

Lloyd H. Stomanson, AIA
Public Arbitrator

Signature Date

Herbert Z. Geiger, Esq.
Non-Public Arbitrator

Signature Date

May 6, 2005
Date of Service (For NASD Dispute Resolution use only)

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05.03.05
Signature Date

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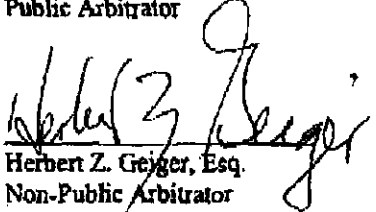
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