
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Gary L. Price and
Georgia L. Price JTWROS

Case Number: 03-04832

Names of the Respondents

Citigroup Global Markets, Inc., f/k/a
Salomon Smith Barney, Inc.
Jack B. Grubman

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Gary L. Price and Georgia L. Price JTWROS, hereinafter collectively referred to as "Claimants": Michael B. Lynch, Esq., Hooper & Weiss, LLC, Orlando, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": John D. Perry, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 27, 2003.

Claimants signed the Uniform Submission Agreement: March 1, 2003.

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

Respondent Citigroup signed the Uniform Submission Agreement: September 23, 2003.

Respondent Grubman signed the Uniform Submission Agreement: September 24, 2003.

Preliminary Response to Respondents' Motions to Dismiss and to Strike (contained in Answer) filed by Claimants on or about: October 22, 2003.

Amended Statement of Claim filed by Claimants on or about: April 28, 2004.

Answer to Amended Statement of Claim filed by Respondents on or about: July 9, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: omission to state material facts and conflicts of interest in violation of Section 17(a) of the Securities Act of 1933; omission to state material facts and conflicts of interest in violation of Chapter 517.301 of the Florida Securities and Investor Protection Act; omission to state material facts and conflicts of interest in violation of NASD Rule 2210(d)(1), Communications

with the Public-General Standards; breach of fiduciary duty; and, respondeat superior. The causes of action relate to Claimants' investment in WorldCom stock.

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

RELIEF REQUESTED

Claimants requested rescissory damages in the amount of \$14,390.54, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other damages as deemed appropriate by the undersigned arbitrator (the "Arbitrator").

Respondents requested that Claimants' Statement of Claim, as amended, be denied in its entirety, and dismissed, with prejudice, with attorneys' fees and costs assessed against Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

On or about December 24, 2003, Claimants filed a notice with NASD Dispute Resolution representing that Claimants had complied with the procedure for opting out of the class action filed in court, entitled In Re WorldCom Securities Litigation.

On or about September 24, 2004, the Arbitrator issued an Order denying Respondents' Motion to Dismiss and Strike.

On or about February 16, 2005, Claimants filed an unopposed request for the above-captioned arbitration to proceed solely on the pleadings and without oral evidentiary hearing. On or about February 18, 2005, the Arbitrator issued an Order granting the parties' request.

The parties agreed that a handwritten, signed Award may be entered in this matter.

AWARD

After considering the pleadings, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Respondent Citigroup is liable for all claims asserted, excluding violation of Section 517.301 of the Florida Securities and Investor Protection Act, and shall pay to Claimants rescissory damages in the amount of \$14,390.54, plus interest calculated at the rate of 7% per annum, accruing from November 16, 2000 until date of payment.

Claimants' claim based on a violation of Section 517.301 of the Florida Securities and Investor Protection Act is dismissed, with prejudice.

Claimants' claims against Respondent Grubman are dismissed in their entirety.

Respondent Citigroup is liable and shall pay to Claimants the sum of \$125.00 representing reimbursement of the initial claim filing fee previously paid by Claimants to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages and the parties' respective requests for attorneys' fees, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 125.00
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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 event(s) giving rise to the dispute. Accordingly, Respondent Citigroup is a party and a member firm.

Member surcharge	= \$ 425.00
Total Member Fees	= \$ 425.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Arbitrator.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A 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 the Arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: September 13, 2004 1 session	
<hr/> Total Forum Fees	<hr/> = \$ 450.00

The Arbitrator has assessed the total forum fees of \$450.00 to Respondent Citigroup.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 125.00
Total Fees	= \$ 125.00
<u>Less payments</u>	<u>= \$ 125.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

Member Fees	= \$ 425.00
Forum Fees	= \$ 450.00
Total Fees	= \$ 875.00
<u>Less payments</u>	<u>= \$ 425.00</u>
Balance Due NASD Dispute Resolution	= \$ 450.00

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

ARBITRATION PANEL

Hugh N. Fryer, Esq. - Public Arbitrator

Arbitrator's Signature

/s/

08/19/05

Hugh N. Fryer, Esq.
Public Arbitrator

Signature Date

August 19, 2005

Date of Service (For NASD Dispute Resolution office use only)

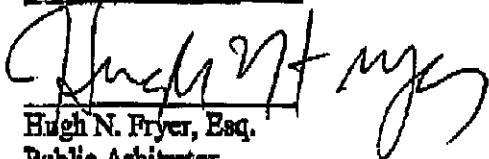
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ARBITRATION PANEL

Hugh N. Fryer, Esq.

Public Arbitrator

Arbitrator's Signature


Hugh N. Fryer, Esq.
Public Arbitrator

8-19-05
Signature Date

Date of Service (For NASD Dispute Resolution office use only)