
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Marjorie Berg

Case Number: 03-04834

Names of the Respondents
Citigroup Global Markets, Inc., f/k/a
Salomon Smith Barney, Inc.
Jack Grubman

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Marjorie Berg, hereinafter referred to as "Claimant": Michael Lynch, Esq., Hooper & Weiss, L.L.C., Orlando, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Jack Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": Janna Nugent, Esq., Greenberg Traurig, LLP, West Palm Beach, Florida.

CASE INFORMATION

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

Claimant signed the Uniform Submission Agreement: March 24, 2003.

Statement of Answer and Motion to Dismiss and to Strike all References to the Settlement Agreement filed by Respondents on or about: August 5, 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 filed by Claimant on or about: October 22, 2003.

Amended Statement of Claim filed on or about: May 14, 2004.

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

Joint Motion to Proceed Solely on the Pleadings and Convert the Case to a Paper Case, Supplement Exhibits and to Amend the Statement of Claim filed on or about: February 24, 2005.

CASE SUMMARY

Claimant 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 Claimant's 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

Claimant requested rescissory damages, as amended, in the amount of \$7,591.24, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the Arbitrator.

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

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 5, 2004, Claimant filed a notice with NASD Dispute Resolution representing that Claimant had complied with the procedure for opting out of the class action filed in court, entitled In Re WorldCom Securities Litigation.

On or about February 28, 2005, the Arbitrator issued an Order granting the parties' Motion to Proceed Solely on the Pleadings, Supplement Exhibits and Amend the Statement of Claim. Thereafter, on or about August 2, 2005, Claimant filed her Final Brief in lieu of an Amended Statement of Claim and, on or about August 11, 2005, Respondents filed their Final Brief and Memorandum of Law on the Issue of Reliance.

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:

Respondents are found not liable and all of Claimant's claims are denied and dismissed, with prejudice.

The parties are responsible for their own attorneys' fees.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages and claim for relief pursuant to Florida Statutes, Chapter 517.301, 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	= \$75.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Citigroup is a party and a member firm.

Member surcharge = \$325.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were 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 panel.

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(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$250.00 = \$250.00

Pre-hearing conference: October 4, 2004 1 session

Total Forum Fees = \$250.00

The Arbitrator has assessed the total forum fees of \$250.00 to Claimant.

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

Claimant is solely liable for:

Initial Filing Fee	= \$ 75.00
Forum Fees	= \$ 250.00
Total Fees	= \$ 325.00
<u>Less payments</u>	<u>= \$ 325.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

Member Fees	= \$325.00
Total Fees	= \$325.00
<u>Less payments</u>	<u>= \$325.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATOR

Abe Mintz

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Public Arbitrator

Arbitrator's Signature

/s/
Abe Mintz
Public Arbitrator

08/18/05
Signature Date

08/18/05
Date of Service (For NASD Dispute Resolution use only)

NASD Dispute Resolution

Arbitration No. 03-04834

Award Page 4 of 4**Fee Summary**

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Respondent Citigroup is solely liable for:

Member Fees	= \$325.00
Total Fees	= \$325.00
Less payments	= \$325.00
Balance Due NASD Dispute Resolution	= \$ 0.00


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

ARBITRATOR

Abe Mintz

Public Arbitrator

Arbitrator's Signature


Abe Mintz
Public Arbitrator

8/19/05
Signature Date

Date of Service (For NASD Dispute Resolution use only)