

NASD DISPUTE RESOLUTION AWARD – Single Arbitrator Paper Only Case
NASD DISPUTE RESOLUTION

CASE: 03-04852

Joyce A. Stade and C. Richard Stade, Trustees of the Joyce A. Stade Trust, CLAIMANTS v. Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, RESPONDENTS

ATTORNEYS:

For Claimants, Joyce A. Stade and C. Richard Stade, Trustees of the Joyce A. Stade Trust, appeared James Richard Hooper, Esquire, Ramon I. Melendez, Esquire, and Michael B. Lynch, Esquire, of the firm Hooper and Weiss, LLC, Orlando, FL.

For Respondents, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., and Jack B. Grubman, appeared Jennifer Tomsen, Esquire and Tucker H. Byrd, Esquire, of the firm Greenberg Traurig, P.A., Orlando, FL., and Bradford D. Kaufman, Esquire, of the firm Greenberg Traurig, P.A., West Palm Beach, FL.

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

DATE FILED: June 27, 2003

CASE SUMMARY: Claimants alleged that Respondents violated each of the following: (1) Section 17(a) of the Securities Act of 1933; (2) Chapter 517.301 of the Florida Securities and Investor Protection Act; (3) NASD Rule 2210(d)(1); and, (4) New York Stock Exchange Rule 202.02. Claimants additionally alleged that Respondents breached their fiduciary duty, and omitted expressions of material fact pertinent to the offer and sale of WorldCom, Inc. stock. Claimants also 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 and omissions their trust suffered significant financial losses arising from an investment of \$ 10,093.76 in WorldCom stock.

Claim Data

Claim: Loss of less than \$10,093.76
Punitive: Unspecified
Interest: Unspecified
Attorney Fees: Unspecified
Filing Fees: \$125.00
Other: Unspecified

Award Data

Award: \$ 0.00
Punitive: \$ 0.00
Interest: \$ 0.00
Attorney Fees: \$ 0.00
Filing Fees: \$0.00
Other: \$0.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: (1) Respondents are not liable therefore and shall pay nothing to Claimants for damages. (2) Respondents are not liable therefore and shall pay nothing to Claimants for punitive damages. (3) Respondents are not liable for any interest payment to Claimant. (4) Respondents are not liable for any attorney fees incurred by Claimants. (5) The Parties shall absorb their own filing fees. (6) All other requests and demands

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for relief, including claims under Chapter 517, Florida Statutes, are hereby DENIED. (7) Forum Fees assessed by NASD Dispute Resolution shall be divided equally between Claimants and Respondents, with both Claimants and all Respondents being jointly and severally liable for satisfaction of all of each fifty percent apportionment.

OTHER ISSUES: No other issues remain to be addressed.

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.

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ARBITRATOR

James H. Frank, Esquire – Sole Public Arbitrator

AFFIRMATION

I, James H. Frank, Esquire, 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.

_____/signed/_____
James H. Frank, Esquire

_____, June 11, 2005_____
Signature Date

_____, June 27, 2005_____
Date of Service (For NASD-DR office use only)

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James H. Frank, Esquire – Sole Public Arbitrator

AFFIRMATION

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//Signed//
James H. Frank, Esquire

June 11, 2005
Signature Date

Date of Service (For NASD-DR office use only)