
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Sheldon Leventhal, TTEE
Sheldon Leventhal
Shari Leventhal
Arrel Enterprises, Inc.

Case Number: 03-05013

Names of the Respondents

Citigroup Global Markets, Inc.
Jack B. Grubman

Hearing Site: Boca Raton, FL

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

REPRESENTATION OF PARTIES

For Sheldon Leventhal, TTEE ("SL TTEE"), Sheldon Leventhal ("Sheldon"), Shari Leventhal ("Shari") and Arrel Enterprises, Inc. ("AEP"), hereinafter collectively referred to as "Claimants": James Richard Hooper, Esq., Hooper & Weiss, LLC, Orlando, Florida.

For Citigroup Global Markets, Inc. ("CGMI") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": John D. Perry, Esq., Greenberg Traurig, Boca Raton, FL.

CASE INFORMATION

Statement of Claim filed on or about: July 7, 2003.

Claimants signed the Uniform Submission Agreement: June 19, 2003.

Statement of Answer filed by Respondents on or about: September 12, 2003.

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

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

Motion to Supplement the Exhibits and Motion to Amend the Statement of Claim filed on or about: September 14, 2004.

Statement of Answer to Amended Statement of Claim filed by Respondents on or about: September 27, 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' investments 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 \$23,934.25, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by 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 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 October 14, 2004, the undersigned arbitrator (the "Arbitrator") issued an Order that granted the parties' joint request that this case be decided solely upon the pleadings and any subsequent submissions.

On or about October 25, 2004, the undersigned arbitrator (the "Arbitrator") issued an Order that granted Claimants' Motion to Supplement the Exhibits and Motion to Amend the Statement of Claim.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, (and the post-hearing submissions) the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are liable, jointly and severally, and shall pay to Claimants the sum of \$23,934.25 in compensatory damages, plus 10% interest from July 7, 2003 until April 14, 2005. Damages are awarded based upon the claim of conflict of interest pursuant to Florida Statutes Chapter 517.
2. Claimant's claims for relief pursuant to Florida Statutes Chapter 517 are specifically granted.
3. Respondents are liable, jointly and severally, and shall pay to Claimants, attorney's

fees in an amount to be determined by a court of competent jurisdiction. Attorney's fees are awarded pursuant to Florida Statutes Chapter 517.

4. Respondents are liable, jointly and severally, and shall pay to Claimant the sum of \$125.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.
5. Any and all claims for relief not specifically addressed herein, including Claimants' requests for punitive damages, 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 events giving rise to the dispute. Accordingly, Respondent CGMI is a member firm and a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred 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.

No three-day cancellation fees were incurred 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.

No injunctive relief fees were incurred 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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences: September 8, 2004	1 session
September 23, 2004	1 session

<u>Paper Record Rate @ 300.00</u>	= \$ 300.00
Total Forum Fees	= \$1,200.00

The Arbitrator has assessed the total forum fees of \$1,200.00 to Respondents, jointly and severally.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

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

Respondent CGMI is solely liable for:

<u>Member Fees</u>	= \$425.00
Total Fees	= \$425.00
<u>Less payments</u>	= \$425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$1,200.00
Total Fees	= \$1,200.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,200.00

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

ARBITRATOR

Gordon Keith Grandy

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Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/

Gordon Keith Grandy
Public Arbitrator, Presiding Chairperson

Signature Date

April 27, 2005

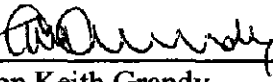
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATOR

Gordon Keith Grandy

- Public Arbitrator, Presiding Chairperson

Arbitrator's Signature



Gordon Keith Grandy
Public Arbitrator, Presiding Chairperson

April 26, 2005
Signature Date

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