
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Ted J. Sampey, IRA
Betty A. Sampey, IRA

Case Number: 03-05269

Names of the Respondents

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

Hearing Site: New Orleans, LA

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

REPRESENTATION OF PARTIES

For Ted J. Sampey, IRA and Betty A. Sampey, IRA, 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., Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 18, 2003.

Claimants signed the Uniform Submission Agreement: May 12, 2003.

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

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

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

Amended Statement of Claim filed by Claimants on or about: July 20, 2004.

Answer to Amended Statement of Claim filed by Respondents on or about: September 21, 2004.

Motion to Proceed Solely on the Pleadings filed by Claimants on or about: July 12, 2005.

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 51, section 712(A) of the Louisiana Revised Statutes; 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 the Claimants' investment in WorldCom stock.

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

RELIEF REQUESTED

Claimants requested rescissory damages in the amount of \$7,447.84, an unspecified amount of punitive damages, interest, costs, attorneys' fees, and such other relief 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 July 20, 2005, the Arbitrator issued an order which granted Claimants' Motion to Proceed Solely on the Pleadings.

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:

Claimants' Statement of Claim, as amended, is dismissed, with prejudice.

Any and all claims for relief not specifically addressed herein, including Claimants' request 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 = \$ 75.00

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.

<u>Member surcharge</u>	= \$325.00
Total Member Fees	= \$325.00

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 panel.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel 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:

No forum fees were assessed during these proceedings.

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:

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

Respondent Citigroup is solely liable for:

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

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

ARBITRATION PANEL

Thomas J. Fischer, Esq.

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Public Arbitrator

Arbitrator's Signature

/s/

Thomas J. Fischer, Esq.
Public Arbitrator

Signature Date

November 4, 2005

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

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ARBITRATION PANEL

Thomas J. Fischer, Esq.

Public Arbitrator

Arbitrator's Signature



Thomas J. Fischer, Esq.
Public Arbitrator

11/4/05
Signature Date

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