

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Carolyn Coombes IRA, and Derek W. Coombes IRA (Claimants) v. Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman (Respondents)

Case Number: 03-05296

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimants, Carolyn Coombes IRA ("C. Coombes"), and Derek W. Coombes IRA ("D. Coombes"), hereinafter collectively referred to as "Claimants": Michael B. Lynch, Esq., Hooper & Weiss, LLC, Orlando, FL.

Respondents, Citigroup Global Markets Inc., f/k/a Salomon Smith Barney, Inc., ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": Mark Parmelee, Esq., Greenberg Traurig, PA, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: July 17, 2003.

Amended Statement of Claim filed on or about: July 19, 2004.

Claimant C. Coombes, signed the Uniform Submission Agreement: April 7, 2003.

Claimant D. Coombes, signed the Uniform Submission Agreement: April 7, 2003.

Joint Statement of Answer filed by Respondents on or about: September 9, 2003.

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

Respondents did not submit signed Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: omission of facts, breach of fiduciary duty, and misrepresentation. The causes of action relate to WorldCom stock.

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

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 16,683.88
Punitive Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other monetary relief	Unspecified

Respondents requested that Claimants' Statement of Claim and Amended Statement of Claim be dismissed in their entirety with prejudice, and that attorneys' fees and costs be assessed against the Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Arbitrator on all issues submitted.

An initial pre-hearing conference call was held January 5, 2005 in which Claimants requested that this matter be resolved by hearing. The Arbitrator requested the parties submit in writing, within ten business days, their reasons why a hearing should be held. Upon review of their responses and after due consideration, the Arbitrator denied Claimants' request for a hearing.

AWARD

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

1. Claimants' claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to 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

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, Citigroup is a party.

Member surcharge = \$ 425.00

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 a sole arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: January 5, 2005 1 session

Decision on papers = \$ 300.00

Total Forum Fees = \$ 750.00

1. The Arbitrator has assessed \$ 187.50 of the forum fees to C. Coombes.
2. The Arbitrator has assessed \$ 187.50 of the forum fees to D. Coombes.
3. The Arbitrator has assessed \$ 187.50 of the forum fees to Citigroup.
4. The Arbitrator has assessed \$ 187.50 of the forum fees to Grubman.

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, photocopies, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimants - photocopy of Statement of Claim and Exhibits = \$ 38.75

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 125.00
<u>Administrative Costs</u>	<u>= \$ 38.75</u>
Total Fees	= \$ 163.75
<u>Less payments</u>	<u>= \$ 163.75</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
2. Claimant C. Coombes is solely liable for:

Forum Fees	= \$ 187.50
Total Fees	= \$ 187.50
<u>Less payments</u>	<u>= \$ 187.50</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Claimant D. Coombes is solely liable for:

<u>Forum Fees</u>	= \$ 187.50
<u>Total Fees</u>	= \$ 187.50
<u>Less payments</u>	= \$ 73.75
Balance Due NASD Dispute Resolution	= \$ 113.75

4. Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 425.00
<u>Forum Fees</u>	= \$ 187.50
<u>Total Fees</u>	= \$ 612.50
<u>Less payments</u>	= \$ 425.00
Balance Due NASD Dispute Resolution	= \$ 187.50

5. Respondent Grubman is solely liable for:

<u>Forum Fees</u>	= \$ 187.50
<u>Total Fees</u>	= \$ 187.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 187.50

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

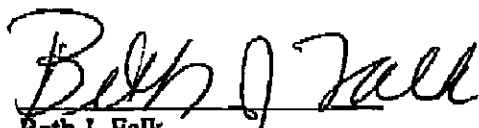
ARBITRATOR


Beth J. Falk

Sole Public Arbitrator

Arbitrator's Signature

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.


Beth J. Falk
Sole Public Arbitrator


Signature Date


Date of Service (For NASD Dispute Resolution use only)