
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Henry G. Schwartz

Case Number: 03-06453

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

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Henry G. Schwartz, hereinafter referred to as "Claimant": Douglas H. Glicker, Esq., 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": Tucker H. Byrd, Esq., D. Porpoise Evans, Esq. and Jennifer Towsen, Esq., Greenberg Traurig, P.A., Orlando, Florida.

CASE INFORMATION

Statement of Claim filed on or about: September 5, 2003.

Claimant signed the Uniform Submission Agreement: May 13, 2003.

Statement of Answer, Motion to Dismiss and Motion to Strike filed by Respondents on or about: November 5, 2003.

Respondents did not file signed Uniform Submission Agreements.

Response to Statement of Answer and Preliminary Response to Respondents' Motion to Dismiss and Motion to Strike filed by Claimant on or about: November 18, 2003.

Motion to Supplement the Exhibits and Motion to Amend filed by Claimants on or about: April 2, 2004.

Response to Motion to Supplement Exhibits and Motion to Amend filed by Respondents on or about: May 6, 2004.

Supplement to Statement of Answer and Motion to Strike filed by Respondents on or about: January 23, 2004.

Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Respondents on or about: October 4, 2004.

Response to Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Claimant on or about: October 8, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: 1) omissions; 2) violation of Florida Statutes, Chapter 517.301; 3) violation of NASD Rule 2210(d)(1); 4) breach of fiduciary duty; and, 5) respondeat superior. The causes of action relate to the purchase of shares of Worldcom stock in Claimant's account.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$57,042.50, punitive damages, interest, costs, attorney's fees and such other relief as this Panel deemed appropriate.

Respondents requested that the Statement of Claim be dismissed in its entirety, with prejudice and an award of costs and attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD properly executed submissions to arbitration but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, appeared and testified at the hearing, are bound by the determination of the Panel on all issues submitted.

At the final hearing for this matter, the Panel denied Respondents' Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents.

Respondents' Motion to Strike, Motion to Dismiss and Motion to Amend and Claimant's Motion to Amend was not ruled on and deemed moot by the Panel.

The parties have agreed that the Award in this matter may be entered in counterpart copies or that a signed handwritten Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondents are found not liable and all Claimant's claims are dismissed.

Respondents shall pay to Claimant the sum of \$225.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages, the parties' requests for attorney's fees and any request for relief pursuant to Florida Statutes, Chapter 517.301, are 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	= \$ 225.00
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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 Citigroup is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

Adjournment Fees

No requests for adjournments were filed in this matter.

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 cancellation fees were assessed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: June 15, 2004 1 session	
One (1) Pre-hearing session with the Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: January 23, 2004 1 session	

Three (3) Hearing sessions with the Panel @ \$750.00 = \$ 2,250.00

Hearing Dates: October 12, 2004 2 sessions

October 13, 2004 1 session

Total Forum Fees = \$ 3,450.00

The Panel has assessed the total forum fees of \$3,450.00 jointly and severally to Respondents.

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.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee = \$ 225.00

Total Fees = \$ 225.00

Less payments = \$ 225.00

Balance Due NASD Dispute Resolution = \$ 0.00

Respondent Citigroup is solely liable for:

Member Fees = \$ 3,550.00

Total Fees = \$ 3,550.00

Less payments = \$ 3,550.00

Balance Due NASD Dispute Resolution = \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees = \$ 3,450.00

Total Fees = \$ 3,450.00

Less payments = \$ 600.00

Balance Due NASD Dispute Resolution = \$ 2,850.00

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

ARBITRATION PANEL

David P. Slater, Esq.

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Public Arbitrator, Presiding Chairperson

Albert Fox

-

Public Arbitrator

Ted Romanos

-

Non-Public Arbitrator

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Concurring Arbitrators' Signatures

/s/

David P. Slater, Esq.

Public Arbitrator, Presiding Chairperson

10/16/04

Signature Date

/s/

Albert Fox

Public Arbitrator

10/18/04

Signature Date

/s/

Ted Romanos

Non-Public Arbitrator

10/15/04

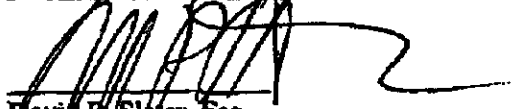
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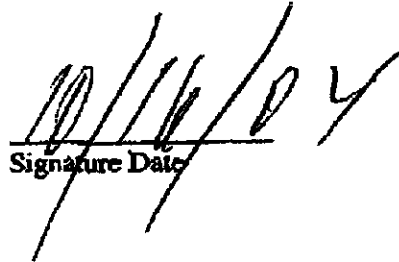
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Public Arbitrator, Presiding Chairperson



Signature Date

Albert Fox
Public Arbitrator

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Non-Public Arbitrator

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Public Arbitrator, Presiding Chairperson

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Albert Fox
Albert Fox
Public Arbitrator

10-18-04
Signature Date

Ted Romanos
Non-Public Arbitrator

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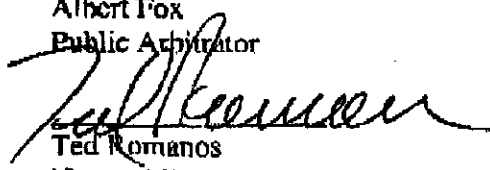
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Public Arbitrator

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Non-Public Arbitrator

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