
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Francis J. Berdel Trustee of the Berdel Revocable Trust

Case Number: 03-06467

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 Francis J. Berdel Trustee of the Berdel Revocable Trust ("Berdel"), hereinafter referred to as "Claimant": Douglas H. Glick, Esq., Law Offices of Douglas H. Glick, P. A., 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": Ricardo A. Gonzalez, Esq., Greenberg Traurig, P.A., Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: September 8, 2003.

Claimant signed the Uniform Submission Agreement: March 17, 2003.

Statement of Answer, Motion to Dismiss and Motion to Strike filed by Respondents on or about: November 17, 2003.

Respondent Citigroup did not file an executed Uniform Submission Agreement.

Respondent Grubman did not file an executed Uniform Submission Agreement.

Claimant's Reply to Respondents' Answer to Statement of Claim filed on or about: November 21, 2003.

Claimant's Preliminary Response to Respondents' Motion to Dismiss and Motion to Strike filed on or about: November 21, 2003.

Motion to Supplement Exhibits and to Amend the Statement of Claim filed by Claimant on or about: March 26, 2004.

Response to Motion to Supplement Exhibits and to Amend the Statement of Claim filed by Respondents on or about: April 28, 2004.

Supplement and Reply filed by Respondents on or about: April 28, 2004.

Claimant's Response to Respondents' Supplement and Reply filed on or about: May 3, 2004.

CASE SUMMARY

Claimant 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 Claimant's investment 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

Claimant requested rescissory damages in the amount of \$1,022.81, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the Panel.

Respondents requested that Claimant's Statement of Claim, as amended, be denied in its entirety, and dismissed with prejudice, with attorneys' fees and costs assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Citigroup did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and having answered the claim is bound by the determination of the Panel on all issues submitted.

Respondent Grubman did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and having answered the claim is bound by the determination of the Panel on all issues submitted.

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 November 29, 2004, after hearing oral argument, the Arbitrator issued an order which allowed Claimant's Amended Statement of Claim, denied Claimant's request that an evidentiary hearing be conducted in this matter, and granted Respondents' request that the matter be decided on the papers.

The Arbitrator made a decision on the papers prior to issuing a ruling on Claimant's Motion to Amend.

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

AWARD

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

Claimant's claims are denied in their entirety.

Any and all claims for relief not specifically addressed herein, including Claimant's claims for relief pursuant to Section 517.301 of the Florida Securities and Investor Protection Act and Claimant's 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 = \$ 25.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Respondent Citigroup is a member firm and a party.

No member fees were assessed in this matter.

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournments were requested in this matter.

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.

Injunctive relief fees were not assessed in this matter.

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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$50.00 /session = \$100.00

Pre-hearing conferences:	October 20, 2004	1 session
	November 29, 2004	1 session

Total Forum Fees	= \$100.00
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The Panel has assessed the total forum fees of \$100.00 to Claimant.

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.

There were no administrative costs incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 25.00
<u>Forum Fees</u>	<u>= \$100.00</u>
Total Fees	= \$125.00
<u>Less Payments</u>	<u>= \$ 75.00</u>
Balance Due NASD Dispute Resolution	= \$ 50.00

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

ARBITRATION PANEL

Abe Mintz

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/
Abe Mintz
Public Arbitrator, Presiding Chairperson

December 2, 2004
Signature Date

December 3, 2004
Date of Service (For NASD Dispute Resolution office use only)

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Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 25.00
Forum Fees	= \$100.00
Total Fees	= \$125.00
Less Payments	= \$ 75.00
Balance Due NASD Dispute Resolution	= \$ 50.00

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

ARBITRATION PANEL

Abe Mintz

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

Abe Mintz
Abe Mintz

Public Arbitrator, Presiding Chairperson

12/2/04
Signature Date

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