
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Stanley G. Stroyls and Donna M. Stroyls, JTWROS
Stanley G. Stroyls, IRA
Donna M. Stroyls, IRA

Case Number: 03-06503

Names of the Respondents

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

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Stanley G. Stroyls and Donna M. Stroyls, JTWROS, Stanley G. Stroyls, IRA and Donna M. Stroyls, IRA hereinafter collectively referred to as "Claimants": James Richard Hooper, Esq., Hooper & Weiss, LLP, 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": Janna Nugent, Esq., Greenberg Traurig LLP, West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: September 2, 2003.

Claimants signed the Uniform Submission Agreement: March 31, 2003.

Statement of Answer filed by Respondents on or about: November 10, 2003.

Respondent Citigroup signed the Uniform Submission Agreement: December 3, 2003.

Respondent Grubman signed the Uniform Submission Agreement: December 3, 2003.

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

Answer to Amended Statement of Claim filed by Respondent on or about: August 30, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: 1) omission to state material facts and conflicts of interest in violation of Section 17(A) of the Securities Act of 1933; 2) omission to state material facts and conflicts of interest in violation of Chapter 517.301 of the Florida Securities and Investor Protection Act; 3) omission to state material facts and conflicts of interest in violation of NASD Rule 2210(d)(1), Communications with the Public-General Standards; 4) breach of fiduciary duty; and, 5) respondeat superior. The causes of action relate to Claimants' investment in 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 rescissionary damages in the amount of \$24,812.61, an unspecified amount of punitive damages, interest, costs, attorney's fees and such other relief as the Panel deemed appropriate.

Respondents requested that the 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 14, 2004, Claimants filed a notice with NASD Dispute Resolution representing that Claimants had complied with the procedure for opting out of the class action suit filed in court, entitled In Re WorldCom Securities Litigation.

On or about October 7, 2004, the sole Arbitrator in this matter issued an Order stating that this matter would not have in-person final hearings and that he would be determining this matter by the papers submitted by the parties.

AWARD

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

Respondents are found jointly and severally liable on all Claimants' claims and shall pay to Claimants compensatory damages in the amount of \$24,812.61, plus interest at the rate of 7% per annum from 4/18/01 until the date of payment of the award.

Respondents are found jointly and severally liable and shall pay to Claimants attorney's fees in an amount to be determined by a court of competent jurisdiction. Claimants are the prevailing parties pursuant to Florida Statute 517.301 and other applicable rules and statutes, thereby entitling them to this award of attorney's fees and costs pursuant to Florida Statute 517.211(6) and other applicable rules and statutes.

Respondents are jointly and severally liable and shall pay to Claimants the sum of \$125.00 representing reimbursement of the claim filing fee previously paid by Claimants to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Respondents' request for attorneys' fees and 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 = \$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, Respondent Citigroup is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge = \$425.00

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 Arbitrator 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: October 5, 2004 1 session

Total Forum Fees = \$450.00

The Arbitrator has assessed the total forum fees of \$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

Claimants are jointly and severally liable for:

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

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 425.00
<u>Total Fees</u>	= \$ 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>	= \$ 450.00
<u>Total Fees</u>	= \$ 450.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 450.00

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

ARBITRATOR

William J. Capito, Esq.

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Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/

William J. Capito
Public Arbitrator, Presiding Chairperson

03/17/05

Signature Date

03/17/05

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

FROM :NASD

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NASD Dispute Resolution
Arbitration No.03-06503
Award Page 4

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<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

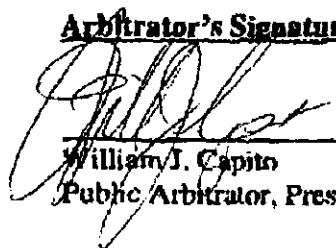
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<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 450.00
<u>Total Fees</u>	= \$ 450.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 450.00

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

ARBITRATOR*William J. Capito, Esq.**Public Arbitrator, Presiding Chairperson***Arbitrator's Signature**

William J. Capito
Public Arbitrator, Presiding Chairperson

MARCH 17, 2005
Signature Date

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