

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Sarah T. Broyles

Case Number: 03-06529

Names of the Respondents

Citigroup Global Markets, Inc. f/k/a

Salomon Smith Barney, Inc.

Jack B. Grubman

Hearing Site: Charlotte, North Carolina

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

REPRESENTATION OF PARTIES

Claimant, Sarah T. Broyles, hereinafter referred to as "Claimant", was represented by Michael B. Lynch, Esq., Hooper & Weiss, LLC, Orlando, Florida.

Respondents, Citigroup Global Markets, Inc. ("Citigroup") and Jack B. Grubman ("Grubman"), hereinafter collectively referred to as "Respondents", were represented by J. Carlos Real, Esq., Greenberg Traurig P.A., New York, New York.

CASE INFORMATION

Statement of Claim filed on September 2, 2003.

Amended Statement of Claim filed on July 20, 2004.

Claimant signed the Uniform Submission Agreement on May 24, 2003.

Statement of Answer filed by Respondents on November 3, 2003.

Statement of Answer to Amended Statement of Claim filed by Respondents on August 30, 2004.

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

A representative of Respondent Citigroup executed the Uniform Submission Agreement on December 3, 2003.

CASE SUMMARY

Claimant asserted the following causes of action, among others: omission of material facts, violation of section 35-1-1210 of the South Carolina Uniform Securities Act, violation of NASD Rule 2210(d)(1), breach of fiduciary duty, and *respondeat superior*. The causes of action relate to the purchase of WorldCom stock due to reliance on Respondents' advice.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim upon which relief may be granted, the claims are barred by the doctrines of waiver and estoppel, ratification, Claimant failed to exercise due diligence, lack of proximate cause, assumption and acceptance of the risk, laches, and failure to mitigate damages.

RELIEF REQUESTED

Claimant in her Amended Statement of Claim requested:

Compensatory Damages	\$4,930.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the Statement of Claim be denied in its entirety and dismissed with prejudice, and that they be awarded attorneys' fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated May 12, 2005, the parties requested that this case be decided solely on the papers. The Arbitrator granted the request.

AWARD

The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents Citigroup and Grubman are denied in their entirety;
2. The parties shall bear their respective costs, excepts as Fees are specifically addressed below; and
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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 = \$ 50.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Citigroup is a party

<u>Member surcharge</u>	= \$200.00
Total Member Fees	= \$200.00

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(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$125.00 = \$125.00
Pre-hearing conference: October 27, 2004 1 session

One (1) Pre-hearing session with a single arbitrator @ \$125.00 = waived
Pre-hearing conference: May 13, 2005 1 session

Fee for Decision on the Paper Record = \$125.00
Total Forum Fees = \$250.00

1. The Arbitrator has assessed \$125.00 of the forum fees to Claimant.
2. The Arbitrator has assessed \$62.50 of the forum fees to Respondent Citigroup.
3. The Arbitrator has assessed \$62.50 of the forum fees to Respondent Grubman.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 50.00
<u>Forum Fees</u>	<u>= \$125.00</u>
Total Fees	= \$175.00
<u>Less payments</u>	<u>= \$175.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Citigroup is assessed and shall pay the following fees:

Member Fees	= \$200.00
<u>Forum Fees</u>	<u>= \$ 62.50</u>
Total Fees	= \$262.50
<u>Less payments</u>	<u>= \$200.00</u>
Balance Due NASD Dispute Resolution	= \$ 62.50

3. Respondent Grubman is assessed and shall pay the following fees:

<u>Forum Fees</u>	<u>= \$ 62.50</u>
Total Fees	= \$ 62.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 62.50

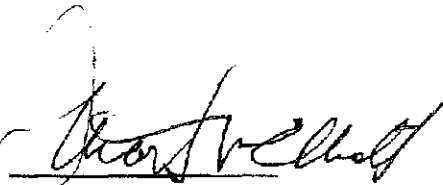
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

Sole Arbitrator

Stuart W. Elliott

- Public Arbitrator, Presiding Panelist

Arbitrator's Signature



Stuart W. Elliott
Public Arbitrator, Presiding Panelist

9/1/05
Signature Date

September 8 2005
Date of Service (For NASD Dispute Resolution office use only)