

NASD DISPUTE RESOLUTION AWARD**NASD DISPUTE RESOLUTION**

CASE: 03-06544

Ernest W. Spengler IRA, Claimant v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents.

ATTORNEYS:

For Claimant, Ernest W. Spengler IRA, ("Claimant"), appeared Douglas H. Glick, Esq., of the Law Offices of Douglas H. Glick, P.A.

For Respondents, Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, ("Respondents"), appeared Bradford D. Kaufman, Esq., of the law firm Greenberg Traurig, P.A., West Palm Beach, FL.

NATURE OF DISPUTE: Customer v. Member and Associated Person

DATE FILED: September 9, 2003

CASE SUMMARY: Claimant alleged that Respondents violated each of the following: Section 17(a) of the Securities Act of 1933, Chapter 517.301 of the Florida Securities and Investor Protection Act, NASD Rule 2210(d)(1), and New York Stock Exchange Rule 202.02. Claimant further alleged that Respondents breached their fiduciary duty, and omitted to state material facts in connection with the offer and sale of WorldCom stock. Claimant additionally alleged that Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc., is liable for the unlawful and negligent acts of its representative, Respondent Jack B. Grubman, under the doctrine of respondeat superior. Claimant maintained that due to Respondents' actions, his IRA account suffered financial losses.

ARBITRATOR'S REPORT: Please find attached.

Claim Data

Claim: \$18,166.26
Punitive: Unspecified
Interest: Unspecified
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$.00
Punitive: \$.00
Interest: \$.00
Attorney Fees: \$.00
Filing Fees: \$212.50
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimant are dismissed in their entirety. 2) All requests for punitive damages are denied. 3) All requests for interest are denied. 4) All requests for attorney fees are denied. 5) All other requests are denied. 6) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously. 7) Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable and shall pay to the Claimant \$106.25 as reimbursement of one-fourth of the filing fee. 8) Respondent Jack B. Grubman is liable and shall pay to the Claimant \$106.25 as reimbursement of one-fourth of the filing fee.

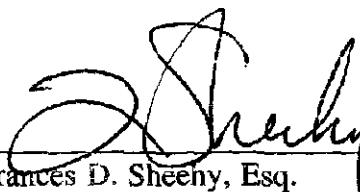
OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

ARBITRATOR

Frances D. Sheehy, Esq. - Sole Public Arbitrator

AFFIRMATION

I, Frances D. Sheehy, Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.



Frances D. Sheehy, Esq.

5-14-04

Signature Date

May 21, 2004

Date of Service (For NASD-DR office use only)

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between:

ERNEST W. SPENGLER IRA,

Claimant,

and

NASD CASE NO.03-06544

CITIGROUP GLOBAL MARKETS, INC. f/k/a SALOMON SMITH BARNEY, INC. and JACK GRUBMAN

Respondent.

ORDER OF DISMISSAL

THIS MATTER came on as a Simplified Case before a single arbitrator of the National Association of Securities Dealers, Inc. (NASD) for consideration. Based on the pleadings, the documents provided, and otherwise being fully advised in the premises,

THE FOLLOWING FACTS ARE FOUND:

1. The Claims were not supported by the evidence. Any recovery to which Claimant may be entitled as a wronged shareholder is more appropriately pursued as a shareholder action in the WorldCom bankruptcy proceeding, or against the officers and directors of WorldCom.

THEREFORE, IT IS ORDERED that:

2. All claims are hereby dismissed.
3. NASD Dispute Resolution filing fees are assessed
 - a. 25% against Citigroup Global Markets, Inc.
 - b. 25% against Jack Grubman personally and not to be paid by anyone else.
 - c. 50% against Claimant.

ORDERED in Florida, on this 19th day of April 2004.


FRANCES D. SHEEHY, Arbitrator

By Fax: 212-428-6885, NASD