

NASD DISPUTE RESOLUTION AWARD

NASD DISPUTE RESOLUTION

CASE: 04-00268

Walter B. Smith and Marilyn G. Smith JTWROS, Claimants v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents.

ATTORNEYS:

For Claimants, Walter B. Smith and Marilyn G. Smith JTWROS, ("Claimants"), appeared Marshall P. Richer, Esq., of the firm Finkelstein & Partners, Albany, NY.

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 firm Greenberg Traurig, P.A., West Palm Beach, FL.

NATURE OF DISPUTE: Customers v. Member and Associated Person

DATE FILED: January 15, 2004

CASE SUMMARY: Claimants 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. Claimants further alleged that Respondents breached their fiduciary duty, and omitted to state material facts in connection with the offer and sale of WorldCom stock. Claimants 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. Claimants maintained that due to Respondents' actions, their joint account suffered financial losses.

Claim Data

Claim: \$2,630.00

Punitive: \$2,300.00

Interest: Unspecified

Attorney Fees: Unspecified

Filing Fees: Unspecified

Other: Unspecified

Award Data

Award: \$.00

Punitive: \$.00

Interest: \$.00

Attorney Fees: \$.00

Filing Fees: \$87.50

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 the Claimants 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 relief requests are denied. 6) NASD Dispute Resolution shall retain the \$175.00 filing fee that the Claimants deposited previously. 7) Respondents are jointly and severally liable and shall pay to the Claimants \$87.50 as reimbursement of one-half 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 \$200.00 Member Surcharge previously invoiced.

ARBITRATOR

Robert Finder - Sole Public Arbitrator

AFFIRMATION

I, Robert Finder, 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.



Robert Finder

7-30-04

Signature Date

August 11, 2004

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