

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-03948

Keylon L. Patch and Helen T. Mathis, Claimants v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents.

ATTORNEYS:

For Claimants, Keylon L. Patch and Helen T. Mathis ("Claimants"), appeared Joel S. Finkelstein, Esq., of the firm Finkelstein & Partners, Newburgh, 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 of Greenberg Traurig, P.A., West Palm Beach, FL.

NATURE OF DISPUTE: Customers v. Member and Associated Person

DATE FILED: June 3, 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 additionally alleged that Respondents breached their fiduciary duty, and omitted to state material facts in connection with the offer and sale of WorldCom stock. Claimants further 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 account suffered financial losses.

Claim Data

Claim: \$24,999.99

Interest: Unspecified

Attorney Fees: Unspecified

Filing Fees: Unspecified

Other: Unspecified

Award Data

Award: \$24,999.99

Interest: @ 7% per annum from date of purchase of securities to date award is paid in full.

Attorney Fees: \$10,000.00

Filing Fees: \$425.00

Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents are jointly and severally liable and shall pay the Claimants \$24,999.99. 2) Respondents are jointly and severally liable and shall pay the Claimants interest at the rate of 7% per annum from the date of purchase of the securities to the date the award is paid in full. 3) Respondents are jointly and severally liable and shall pay the Claimants \$10,000.00 for attorney fees pursuant to Florida Statute 517.211. (40% of the gross recovery (\$24,999.99 plus interest). 4) All other relief requests are denied. 5) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimants deposited previously. 6) Respondents are jointly and severally liable and shall pay the Claimants \$425.00 as reimbursement of the filing fees.

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.


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ARBITRATOR

Diana A. Weiner, Esq. - Sole Public Arbitrator

AFFIRMATION

I, Diana A. Weiner, 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.


Diana A. Weiner, Esq.


Signature Date

November 1, 2004
Date of Service (For NASD-DR office use only)