
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Fred D. Bisplinghoff IRA

Case Number: 04-04027

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

Hearing Site: Orlando, Florida

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

REPRESENTATION OF PARTIES

For Fred D. Bisplinghoff IRA, hereinafter referred to as "Claimant": Douglas H. Glicken, Law Office of Douglas H. Glicken, 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": Tucker Byrd, Esq., Greenberg Traurig, Orlando, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 8, 2004.

Claimant signed the Uniform Submission Agreement: May 20, 2003.

Statement of Answer filed by Respondents on or about: August 18, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: July 14, 2004.

Respondent Grubman signed the Uniform Submission Agreement: July 14, 2004.

Memorandum of Law on the Issuance of Reliance and Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Respondent Citigroup on or about: April 25, 2005.

Response to Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Claimant on or about: April 26, 2005.

Motion to have this Matter Proceed on the Paper Record and Motion to Amend the Statement of Claim filed by Claimant on or about: May 9, 2005.

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 Claimant's 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

Claimant requested rescissionary damages, as amended, in the amount of \$18,741.30, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the Panel.

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 March 8, 2005, Claimant notified NASD Dispute Resolution that he was dismissing his claim against Respondent Grubman. However, within Claimant's Amended Statement of Claim, Respondent Grubman reappears again as a Respondent. The Arbitrator utilized the Amended Statement of Claim for his final determination of this matter

On or about May 4, 2005, the Arbitrator issued an Order on Respondent Citigroup's Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents. The Order granted Respondent's request to exclude evidence of subject reports, subject articles, subject documents and the regulatory settlement, however, the Arbitrator ruled that he would hear evidence of the WorldCom class action settlement, the NYSE Panel decisions and the reports issued by WorldCom.

On or about May 10, 2005, the Arbitrator issued an Order that granted the Motion to have this Matter Determined on the Paper Record and the Motion to Amend the Statement of Claim. Thereafter, on or about June 10, 2005, Claimant filed with NASD Dispute Resolution his Amended Statement of Claim and on or about July 14, 2005, Respondent Citigroup filed its Final Arbitration Brief.

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 not liable and all Claimant's claims are denied in their entirety and dismissed, with prejudice.

Any and all claims for relief not specifically addressed herein, including Claimant's requests for attorney's fees, punitive damages and request for relief pursuant to Florida Statutes, Chapter 517 and Respondents' request for attorneys' fees, 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 = \$ 175.00

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 = \$ 875.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$1,000.00

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 Panel 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: November 29, 2004 1 session

Total Forum Fees = \$450.00

The Arbitrator has assessed \$225.00 of the forum fees to Claimant.

The Arbitrator has assessed \$225.00 of the forum fees 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

Claimant is solely liable for:

Initial Filing Fee	= \$ 175.00
<u>Forum Fees</u>	= \$ 225.00
Total Fees	= \$ 400.00
<u>Less payments</u>	= \$ 175.00
Balance Due NASD Dispute Resolution	= \$ 225.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 2,625.00
Total Fees	= \$ 2,625.00
<u>Less payments</u>	= \$ 2,625.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 225.00
Total Fees	= \$ 225.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 225.00

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

ARBITRATOR

James H. Frank, Esq.

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/
James H. Frank, Esq.
Public Arbitrator, Presiding Chairperson

08/05/05
Signature Date

08/08/05
Date of Service (For NASD Dispute Resolution office use only)

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ARBITRATOR

James H. Frank, Esq.

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature


James H. Frank, Esq.

Public Arbitrator, Presiding Chairperson

AUG 05 2005

Signature Date

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