
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Dr. J. Shue Hamman

Case Number: 04-04546

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

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Dr. J. Shue Hamman, hereinafter referred to as "Claimant": Douglas H. Glicker, Esq., Law Offices of Douglas H. Glicker, P.A., Orlando, Florida.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Jack Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": John Perry, Esq. Greenberg Traurig, Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 25, 2004.

Claimant signed the Uniform Submission Agreement: November 21, 2003.

Statement of Answer filed by Respondents on or about: September 1, 2004.

Respondents Citigroup and Grubman did not file executed Uniform Submission Agreements.

Reply to Respondents' Answer to Statement of Claim filed by Claimant on or about: September 10, 2004.

Joint Motion to Proceed solely on the Pleadings and Convert to a Paper Case, Supplement Exhibits and to Amend the Statement of Claim filed on or about: March 4, 2005.

Amended Statement of Claim filed by Claimant on or about: June 9, 2005.

Answer to Amended Statement of Claim filed by Respondents on or about: June 24, 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 the Claimant's investment in WorldCom bonds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim, as amended, and asserted various defenses.

RELIEF REQUESTED

Claimant requested rescissionary damages in the amount of \$4,626.35, unspecified punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the undersigned arbitrator (the "Chairperson").

Respondents requested that Claimant's Statement of Claim be denied in its entirety, and dismissed with prejudice, with attorneys' fees and costs assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Citigroup and Grubman did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the panel on all issues submitted.

On or about May 16, 2005, the Chairperson executed the Order granting the parties' Motion to Proceed solely on the Pleadings and Convert the Case to a Paper Case, Supplement Exhibits and to Amend the Statement of Claim. Thereafter, on or about June 10, 2005, Claimant filed an Amended Statement of Claim and on or about, June 24, 2005, Respondents filed their Answer to the Amended Statement of Claim.

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 jointly and severally liable for omission to state material facts and conflicts of interest in violation of Florida Statutes, §517.301 and respondeat superior and shall pay to Claimant compensatory damages in the amount of \$4,626.35, interest excluded.

Respondents are jointly and severally liable and shall pay to Claimant attorney's fees, pursuant to Florida Statutes, §517.301, in the amount of \$643.58.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages and Respondents' request for attorneys' fees, are denied.

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 firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Citigroup is a party and a member firm.

Member surcharge = \$200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

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:

There were no three-day cancellation fees assessed during these proceedings.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings.

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: December 20, 2004 1 session

Total Forum Fees = \$125.00

The Arbitrator has assessed the total forum fees of \$125.00 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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

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

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$200.00
<u>Total Fees</u>	= \$200.00
<u>Less payments</u>	= \$200.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$125.00
<u>Total Fees</u>	= \$125.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$125.00

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

ARBITRATOR

Edward Arthur Horton

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Public Arbitrator

Arbitrator's Signature

/s/
Edward Arthur Horton
Public Arbitrator

08/05/05
Signature Date

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

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