
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Melvin Tannenbaum, Dolores Tannenbaum and
Michelle Forte JTWROS,
Melvin Tannenbaum

Case Number: 04-04568

Names of the Respondents

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

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Melvin Tannenbaum, Dolores Tannenbaum and Michelle Forte JTWROS, and Melvin Tannenbaum, hereinafter collectively referred to as "Claimants": Douglas H. Glick, Esq., Douglas H. Glick, P.A., 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": Ricardo Gonzalez Esq., Greenberg Traurig, P.A., Orlando, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 28, 2004.

Claimants Melvin Tannenbaum and Dolores Tannenbaum signed the Uniform Submission Agreement: June 1, 2004.

Claimant Michelle Forte signed the Uniform Submission Agreement: June 12, 2004.

Statement of Answer filed by Respondents on or about: August 10, 2004.

Claimants' Reply to Respondents' Statement of Answer filed on or about: August 16, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: September 14, 2005.

Respondent Grubman signed the Uniform Submission Agreement: September 16, 2005.

Amended Statement of Claim filed by Claimants on or about: September 15, 2005.

Amended Answer to Amended Statement of Claim filed by Respondents on or about: November 18, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: omission to state material facts and conflicts of interest in violation of Section 17(a) of the Securities Act of 1933; omission to state material facts and conflicts of interest in violation of Chapter 517.301 of the

Florida Securities and Investor Protection Act; omission to state material facts and conflicts-of-interest in violation of NASD Rule 2210(d)(1), Communications with the Public-General Standards; breach of fiduciary duty; and, respondeat superior. The causes of action relate to Claimants' investment in WorldCom stock.

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

RELIEF REQUESTED

Claimants requested rescissory damages in the amount of \$9,547.40, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the undersigned arbitrator (the "Arbitrator").

Respondents requested that Claimants' Statement of Claim 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 June 20, 2005, the parties requested that, in lieu of conducting an evidentiary hearing, the Arbitrator make a final determination of this matter on the papers following submission by the parties of final hearing briefs. On or about July 21, 2005, the Arbitrator issued an Order granting the parties' request.

During the pre-hearing telephone conference on August 19, 2005, Claimants made an *ore tenus* motion to submit an Amended Statement of Claim. On or about August 22, 2005, the Arbitrator issued an Order permitting Claimants to submit an Amended Statement of Claim by September 19, 2005 and Respondents to submit an Amended Answer by October 19, 2005.

AWARD

After considering the pleadings and the record in this matter, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Claimants' Amended Statement of Claim is dismissed, with prejudice.

Any and all claims for relief not specifically addressed herein, including Claimants' claim for relief pursuant to Chapter 517.301 of the Florida Securities and Investor Protection Act and Claimants' request for punitive damages, 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 = \$ 75.00

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 = \$325.00

Total Member Fees = \$325.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were assessed 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 three-day cancellation fees were assessed in this matter.

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.

No injunctive relief fees were assessed in this matter.

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:

Three (3) Pre-hearing sessions with the Arbitrator @ \$250.00/session = \$750.00

| | | |
|--------------------------|-------------------|-----------|
| Pre-hearing conferences: | October 27, 2004 | 1 session |
| | November 19, 2004 | 1 session |
| | August 19, 2005 | 1 session |

Total Forum Fees = \$750.00

The Arbitrator has assessed forum fees of \$375.00 to Claimants, jointly and severally.
The Arbitrator has assessed forum fees of \$375.00 to Respondents, jointly and severally.

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 in this matter.

Fee Summary

Claimants are jointly and severally liable for:

| | |
|-------------------------------------|-------------|
| Initial Filing Fee | = \$ 75.00 |
| Paper Record Fee | = \$ 125.00 |
| Forum Fees | = \$ 375.00 |
| Total Fees | = \$ 575.00 |
| Less payments | = \$ 325.00 |
| Balance Due NASD Dispute Resolution | = \$ 250.00 |

Respondent Citigroup is solely liable for:

| | |
|-------------------------------------|------------|
| Member Fees | = \$325.00 |
| Total Fees | = \$325.00 |
| Less payments | = \$325.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

Respondents are jointly and severally liable for:

| | |
|-------------------------------------|-------------|
| Forum Fees | = \$ 375.00 |
| Paper Record Fee | = \$ 125.00 |
| Total Fees | = \$ 500.00 |
| Less payments | = \$ 0.00 |
| Balance Due NASD Dispute Resolution | = \$ 500.00 |

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

ARBITRATOR

John J. Hearn, Esq. -

Public Arbitrator

Arbitrator's Signature

_____/s/
John J. Hearn, Esq.
Public Arbitrator

December 15, 2005
Signature Date

December 15, 2005
Date of Service (For NASD Dispute Resolution office use only)

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| Total Fees | = \$ 575.00 |
| <u>Less payments</u> | <u>= \$ 325.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 250.00 |

Respondent Citigroup is solely liable for:

| | |
|-------------------------------------|-------------------|
| <u>Member Fees</u> | <u>= \$325.00</u> |
| Total Fees | = \$325.00 |
| <u>Less payments</u> | <u>= \$325.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

Respondents are jointly and severally liable for:

| | |
|-------------------------------------|--------------------|
| Forum Fees | = \$ 375.00 |
| <u>Paper Record Fee</u> | <u>= \$ 125.00</u> |
| Total Fees | = \$ 500.00 |
| <u>Less payments</u> | <u>= \$ 0.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 500.00 |

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

ARBITRATOR

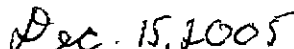
John J. Hearn, Esq. -

Public Arbitrator

Arbitrator's Signature



John J. Hearn, Esq.
Public Arbitrator


Signature Date

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