
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Eleanor Werbalowsky SSB IRA Custodian
GPM Account
Alvin Werbalowsky and Eleanor Werbalowsky
JTWROS

Case Number: 04-05074

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 Eleanor Werbalowsky SSB IRA Custodian GPM Account and Alvin Werbalowsky and Eleanor Werbalowsky JTWROS, hereinafter referred to collectively as "Claimants": Douglas H. Glick, P.A., Law Office of 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, Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 14, 2004.
Claimants signed the Uniform Submission Agreement: July 24, 2003.
Statement of Answer filed by Respondents on or about: September 21, 2004.
Respondents Citigroup and Grubman did not file executed Uniform Submission Agreements.
Reply to Respondents' Answer to Statement of Claim filed by Claimants on or about: September 27, 2004.
Amended Statement of Claim filed by Claimants on or about: August 4, 2005.
Response to Amended Statement of Claim filed by Respondents on or about: August 31, 2005.

CASE SUMMARY

Claimants 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 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 Claimants' 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 and other additional defenses.

RELIEF REQUESTED

Claimants requested rescissory damages, as amended, in the amount of \$15,861.79, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the Arbitrator.

Respondents requested that the 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

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 Arbitrator on all issues submitted.

On or about June 18, 2005, the parties filed a joint request for this matter to proceed solely on the pleadings, to amend the Statement of Claim and to submit additional exhibits. On or about July 3, 2005, the Arbitrator granted the parties request. Thereafter, on or about August 4, 2005, Claimants submitted their Amended Statement of Claim and, on or about August 31, 2005, Respondents submitted their Response to the Amended Statement of Claim.

The parties agreed that a handwritten, signed Award may be entered in this matter.

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 Claimants' claims are dismissed in their entirety, with prejudice.

Any and all relief not specifically addressed herein, including Claimants' request for punitive damages and request for relief pursuant to Florida Statutes, Chapter 517.301 and the parties' requests 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 = \$ 125.00

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, Respondent Citigroup is a party and a member firm.

Member surcharge = \$425.00

Total Member Fees = \$425.00

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

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, including a pre-hearing conference with the Arbitrator, 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: December 2, 2004 1 session

Total Forum Fees = \$450.00

The Arbitrator has assessed \$225.00 of the forum fees jointly and severally to Claimants.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 125.00
<u>Forum Fees</u>	= \$ 225.00
Total Fees	= \$ 350.00
<u>Less payments</u>	= \$ 325.00
Balance Due NASD Dispute Resolution	= \$ 25.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	= \$ 425.00
Total Fees	= \$ 425.00
<u>Less payments</u>	= \$ 325.00
Balance Due NASD Dispute Resolution	= \$ 100.00

Respondents Citigroup and Grubman 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

Burton L. Ansell, Esq.

Public Arbitrator

Arbitrator's Signature

/s/
Burton L. Ansell, Esq.
Public Arbitrator

10/12/05
Signature Date

10/12/05
Date of Service (For NASD Dispute Resolution office use only)

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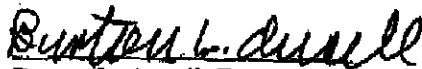
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Burton L. Ansell, Esq.

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Arbitrator's Signature



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