
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Ben Werboff and Jeanette Werboff,
Co-Trustees of the Ben and Jeanette Werboff Trust

Case Number: 04-05491

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 Ben Werboff and Jeanette Werboff, Co-Trustees of the Ben and Jeanette Werboff Trust, 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": Holly R. Skolnick, Esq. and Peter Forand, Esq., Greenberg Traurig, P.A., Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: August 2, 2004.

Claimants signed the Uniform Submission Agreements: January 16, 2004.

Statement of Answer filed by Respondents on or about: November 23, 2004.

Respondent Citigroup did not file an executed Uniform Submission Agreement.

Respondent Grubman did not file an executed Uniform Submission Agreement.

Amended Statement of Claim filed by Claimants on or about: July 21, 2005.

Answer to Amended Statement of Claim filed by Respondents on or about: August 2, 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, 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 \$14,355.32, an unspecified amount of punitive damages, interest, costs in the amount of \$1,054.82, attorneys' fees in the amount of \$13,510.00, and such other relief as deemed appropriate by 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

Respondents did not file with NASD Dispute Resolution properly executed submissions to arbitration 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 17, 2005, the parties jointly requested that the Arbitrator make a final determination of this matter on the papers in lieu of conducting an evidentiary hearing, following submission by Claimants of an Amended Statement of Claim and by Respondents of a response thereto. On or about June 23, 2005, the Arbitrator issued an Order granting the parties' request.

AWARD

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

Claimants' claims are dismissed in their entirety, 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, Claimants' request for punitive damages and the parties' respective 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
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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 member firm and a party.

Member Surcharge	= \$425.00
Total Member Fees	= \$425.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournments were requested 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 Arbitrator.

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:

One (1) Pre-hearing session with the Arbitrator @ \$450.00/session	= \$450.00
Pre-hearing conference: January 21, 2005 1 session	
Total Forum Fees	= \$450.00

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

There were no administrative costs incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$125.00
<u>Forum Fees</u>	<u>= \$225.00</u>
Total Fees	= \$350.00
<u>Less Payments</u>	<u>= \$350.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

<u>Member Fees</u>	<u>= \$425.00</u>
Total Fees	= \$425.00
<u>Less Payments</u>	<u>= \$425.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$225.00</u>
Total Fees	= \$225.00
<u>Less Payments</u>	<u>= \$ 0.00</u>
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

V. Michael Pabalis

Public Arbitrator

Arbitrator's Signature

/s/

V. Michael Pabalis
Public Arbitrator

October 18, 2005
Signature Date

October 18, 2005
Date of Service (For NASD Dispute Resolution office use only)

OCT. 18. 2005 12:20PM

NASD REGULATIONS

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Respondent Citigroup is solely liable for:

Member Fees	= \$425.00
Total Fees	= \$425.00
Less Payments	= \$425.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

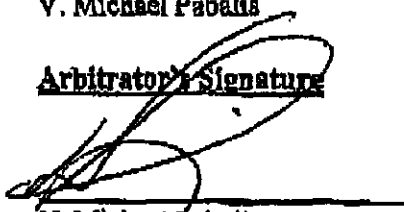
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ARBITRATOR

V. Michael Pabalis

Public Arbitrator

Arbitrator's Signature

V. Michael Pabalis
Public Arbitrator

10/18/05
Signature/Date

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