

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 03-00329

Michael J. Costanzo, Jr., Claimant v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents

ATTORNEYS:

For Claimant Michael J. Costanzo, Jr. ("Claimant") appeared James Richard Hooper, Esq., of the firm Hooper & Weiss, L.L.C., Orlando, FL.

For Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman ("Respondents") appeared Bradford D. Kaufman, Esq., of the firm Greenberg Traurig, P.A., West Palm Beach. FL.

NATURE OF DISPUTE: Customer v. Member and Associated Person.

DATE FILED: January 13, 2003.

CASE SUMMARY: Claimant alleged that Respondents omitted to state material facts in connection with the offer and sale of WorldCom stock. Claimant further alleged that Respondents violated each of the following: Section 17(a) of the Securities Act of 1933, Chapter 517.301 of the Florida Securities and Investor Protection Act, NASD Conduct Rules and NYSE Rules. Claimant further alleged that she were defrauded by the Respondents as a result of deliberate and willful fraudulent practices in issuing misleading research reports, failing to disclose material conflicts of interest, breaching their fiduciary duties, and denying the Claimant all benefits of independent and objective analysis and meaningful compliance and supervision with respect to the offer and sale of WorldCom stock.

Claim Data

Claim: \$8,511.43
Claim: disgorgement/restitution
Interest: Unspecified

Punitive: Unspecified
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$2,553.43
Award: \$.00
Interest: 5% p.a. fr. 4/30/99 to
Date of payment of award
Punitive: \$.00
Attorney Fees: \$.00
Filing Fees: \$227.50
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents are jointly and severally liable and shall pay to the Claimant \$2,553.43. 2) Respondents are jointly and severally liable and shall pay to Claimant interest at the rate of 5% per annum from April 30, 1999 through the date of payment of the award. 3) All requests for attorney fees are denied. 4) All requests for

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punitive damages are denied. 5) All other relief requests are denied. 6) NASD Dispute Resolution shall retain the \$325.00 filing fee that the Claimant deposited previously. 7) Respondents are jointly and severally liable and shall pay Claimant \$227.50 as reimbursement of 70% of the filing fee. 8) Liability is assessed equally to Jack B. Grubman and Citigroup Global Markets, Inc. so as to give Citigroup Global Markets, Inc. legal foundation to be reimbursed by Jack B. Grubman for his 50% assessment of liability.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Citigroup Global Markets, Inc. has paid to NASD Dispute Resolution the \$325.00 Member Surcharge previously invoiced.

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ARBITRATOR

Matthew V. Rigg, CFP, MIB - Sole Public Arbitrator

AFFIRMATION

I, Matthew V. Rigg, CFP, MIB, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


Matthew V. Rigg, CFP, MIB

11/12/04
Signature Date

November 22, 2004
Date of Service (For NASD-DR office use only)