
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

George Fields and Jean W. Fields TTEES FBO
George Fields Revocable Trust

Case Number: 03-04843

Names of the Respondents

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

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For George Fields and Jean W. Fields TTEES FBO George Fields Revocable Trust, hereinafter referred to as "Claimants": James Richard Hooper, Esq., Hooper & Weiss, L.L.C., 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": Jennifer Tomsen, Esq., Greenberg Traurig, Orlando, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 27, 2003.

Claimants signed the Uniform Submission Agreement: March 14, 2003.

Statement of Answer filed by Respondents on or about: August 27, 2003.

Respondent Citigroup signed Uniform Submission Agreement: September 23, 2003.

Respondent Grubman signed the Uniform Submission Agreement: September 24, 2003.

Amended Statement of Claim filed by Claimants on or about: April 27, 2004.

Response to Amended Statement of Claim filed by Respondents on or about: July 9, 2004.

Motion to Amend the Amended Statement of Claim filed by Claimants on or about: February 28, 2005.

Motion to Allow this Matter to be Determined on the Paper Record Only filed jointly by the parties on or about: February 28, 2005.

Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Respondents on or about: May 9, 2005.

Response to Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents filed by Claimants on or about: May 10, 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 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 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.

RELIEF REQUESTED

Claimants requested rescissionary damages in the amount of \$9,580.54, an unspecified amount of punitive damages, interest, costs, attorneys' fees and such other relief as deemed appropriate by the Panel.

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

On or about February 28, 2005, the parties filed a joint motion requesting that this matter be determined on the paper record only. On March 7, 2005, the sole arbitrator appointed to this matter issued an Order that granted the parties' request to have this matter determined on the paper record and granted Claimants' Motion to Amend the Amended Statement of Claim.

On or about April 7, 2005, Claimants submitted to NASD Dispute Resolution a pre-hearing brief in lieu of filing an Amended Statement of Claim.

On or about May 9, 2005, Respondents submitted to NASD Dispute Resolution their final Memorandum of Law.

On or about May 16, 2005, the Arbitrator issued an Order that denied Respondents' Motion in Limine to Exclude Evidence of Settlements and Other Inadmissible Documents.

AWARD

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

Claimants have proven all causes of action, listed above, set forth in the Amended Statement of Claim, including Respondents' violation of Florida Statutes, Chapter 517.301. Therefore, Respondents are found jointly and severally liable for all of Claimants' claims and shall pay to Claimants compensatory damages in the amount of \$9,580.54.

Respondents are jointly and severally liable and shall reimburse Claimants the claim filing fee previously paid by Claimants to NASD Dispute Resolution in the amount of \$75.00.

Respondents' request to dismiss the Statement of Claim, with prejudice, with attorneys' fees and costs assessed to Claimants and to dismiss based on the statute of limitations are denied.

Any and all claims for relief not specifically addressed herein, including Claimants' requests for punitive damages and attorneys' fees, 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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, Respondent Citigroup is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge = \$ 325.00

Adjournment Fees

No requests for adjournments were filed 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

No injunctive relief fees were incurred during this proceeding.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$250.00 = \$250.00

Pre-hearing conference: August 20, 2005 1 session

Total Forum Fees = \$250.00

The Arbitrator has assessed the total forum fees of \$250.00 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.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 75.00
<u>Total Fees</u>	= \$ 75.00
<u>Less payments</u>	= \$ 75.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

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

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 250.00
<u>Total Fees</u>	= \$ 250.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 250.00

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

ARBITRATOR

Harvey Alan Blicksilver, Esq.

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

/s/

Harvey Alan Blicksilver, Esq.
Public Arbitrator, Presiding Chairperson

05/17/05

Signature Date

05/17/05

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

