

NASD DISPUTE RESOLUTION AWARD

NASD DISPUTE RESOLUTION

CASE: 03-07483

Florence H. Bohlen & Morris Bohlen Trustees Florence H. Bohlen Revocable Trust and Morris Bohlen & Florence H. Bohlen Trustees Morris Bohlen Revocable Trust, Claimants v. Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. and Jack B. Grubman, Respondents.

ATTORNEYS:

For Claimants, Florence H. Bohlen & Morris Bohlen Trustees Florence H. Bohlen Revocable Trust and Morris Bohlen & Florence H. Bohlen Trustees Morris Bohlen Revocable Trust, ("Claimants"), appeared Douglas H. Glicken, of the Law Offices of Douglas H. Glicken, P.A., Orlando, FL.

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

NATURE OF DISPUTE: Customers v. Member and Associated Person

DATE FILED: October 17, 2003

CASE SUMMARY: Claimants 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 Rule 2210(d)(1), and New York Stock Exchange Rule 202.02. Claimants further alleged that Respondents breached their fiduciary duty, and omitted to state material fact regarding the offer and sale of WorldCom stock. Claimants additionally alleged that Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. is liable for the unlawful and negligent acts of its representative, Respondent Jack B. Grubman, under the doctrine of respondeat superior. Claimants maintained that due to Respondents' actions, their trust accounts suffered financial losses.

ARBITRATOR'S REPORT: Pertaining to the award of attorney fees.

Claim Data

Claim: \$20,371.72
Punitive: Unspecified
Interest: Unspecified
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$20,371.72
Punitive: \$.00
Interest: \$6,605.12
Attorney Fees: \$20,880.00
Filing Fees: \$425.00
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 Claimants \$20,371.72. 2) Respondents are jointly and severally liable and shall pay to the Claimants \$6,605.12 in interest. Section 517.211, Florida Statutes, incorporates Section 55.03, Florida Statutes, to determine the legal rate of interest. The legal rates of interest applicable in this case are: 2000-10%, 2001-11%, 2002-9%, 2003-6%, 2004-7%. The Arbitrator finds Claimant is entitled to interest from August 11, 2000 through May 11, 2004. Total amount of interest payable is \$6,605.12. 3) Respondents are jointly and severally liable and shall pay to the Claimants \$20,880.00 for attorney fees. The Arbitrator finds they are recoverable under Section 517.211, Florida Statutes. 4) All requests for punitive damages are denied. 5) All other relief requests are denied. 6) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimants deposited previously. 7) Respondents are jointly and severally liable and shall pay Claimant \$425.00 as reimbursement of the filing fee.

OTHER ISSUES: The arbitrator considered claimant's request for a hearing and it was denied.

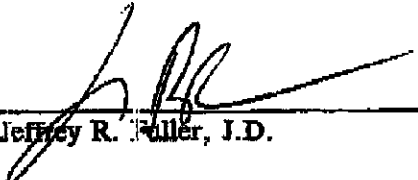
OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

ARBITRATOR

Jeffrey R. Fuller, J.D. - Sole Public Arbitrator

AFFIRMATION

I, Jeffrey R. Fuller, J.D., 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.



Jeffrey R. Fuller, J.D.

11-30-04

Signature Date

December 2, 2004

Date of Service (For NASD-DR office use only)

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of arbitration between:

FLORENCE H. BOHEN &
MORRIS BOHEN TRUSTEES
FLORENCE H. BOHEN
REVOCABLE TRUST AND
MORRIS BOHEN &
FLORENCE H. BOHEN TRUSTEES
MORRIS BOHEN REVOCABLE TRUST

NASD-DR Arb. No. 03-07483

Claimants,

-and-

CITIGROUP GLOBAL MARKETS, INC.,
f/k/a SALOMON SMITH BARNEY, INC.,
AND JACK B. GRUBMAN,

Respondents.

AWARD OF ATTORNEY'S FEES

In the NASD Dispute Resolution Award in this cause, the Arbitrator found that Respondents were jointly and severally liable for attorney's fees. The Arbitrator found that attorney's fees are recoverable under §517.221, Florida Statutes. The Arbitrator requested the parties to submit briefs and affidavits concerning the amount of attorney's fees.

The Arbitrator has for review Claimants' Verified Claim For Attorney Fee & Amount and Respondents' Brief On Attorney's Fees.

Being fully advised in the premises, it is hereby

ORDERED that:

1. Claimants' reasonable billable hours are 46.4.
2. A reasonable hourly rate under the circumstances is \$300.00 per hour which leads to a load star figure of \$13,920.00.
3. The Arbitrator finds that Claimants' agreement with its attorney was a contingency fee agreement.

4. Claimants' counsel concedes in Claimants' Verified Claim For Attorney Fee & Amount that this was a case with which the likelihood of success was approximately even at the outset.

5. Claimants' reliance upon *Florida Patient's Compensation Fund v. Rowe*, 472 So.2d 1145 (Fla 1985) in argument for a multiplier of 2 is rejected as *Rowe* was modified by the subsequent decision of *Standard Guaranty Insurance Company v. Quanstrom*, 555 So.2d 828 (Fla 1980).

6. The Arbitrator finds that an appropriate multiplier in this case is 1.5.

7. The Arbitrator therefore finds that a reasonable attorney's fee to be paid to Claimants is \$20,880.00.

8. The Arbitrator denies recovery for costs sought by the Claimants, other than the previously awarded \$425.00 representing the filing fee and Respondents are again ordered to pay, jointly and severally, Claimants \$425.00 as reimbursement of the filing fee.

DONE AND ORDERED this 18th day of NOVEMBER, 2004.


JEFFREY R. FULLER - Arbitrator