
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Lillian Horowitz

Case Number: 04-03878

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 Lillian Horowitz, hereinafter referred to as "Claimant": Douglas H. Glicken, Law Office of Douglas H. Glicken, 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": John Perry, Esq., Greenberg Traurig, Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: May 28, 2004.

Claimant signed the Uniform Submission Agreement: March 25, 2003.

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

Respondent Citigroup signed the Uniform Submission Agreement: March 14, 2005.

Respondent Grubman signed the Uniform Submission Agreement: February 2, 2005.

Joint Motion to have this Matter Determined on the Paper Record and Claimant's Motion to Amend the Statement of Claim filed on or about: August 2, 2005.

CASE SUMMARY

Claimant 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 Claimant's 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

Claimant requested rescissionary damages, as amended, in the amount of \$8,893.48, 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, as amended, 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 August 8, 2005, the sole Arbitrator for this matter issued an Order that granted the parties' Motion to have this Matter Determined on the Paper Record and Claimant's Motion to Amend. Thereafter, on or about September 2, 2005, Claimant filed her Amended Statement of Claim and, on or about September 15, 2005, Respondents filed their Answer to the Amended Statement of Claim.

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 jointly and severally liable for violation of Florida Statutes, Chapter 517.301 and shall pay to Claimant compensatory damages in the amount of \$8,893.48.

Respondents are jointly and severally liable and shall pay to Claimant attorneys' fees, pursuant to violation of Florida Statutes, Chapter 517, in an amount to be determined by a court of competent jurisdiction.

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

Any and all claims for relief not specifically addressed herein, including Claimant's request for punitive damages and Respondents' 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 = \$ 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 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:

No hearings were held in this matter.

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

Claimant is solely liable for:

Initial Filing Fee	= \$ 75.00
<u>Retained paper record deposit</u>	<u>= \$ 250.00</u>
Total Fees	= \$ 325.00
<u>Less payments</u>	<u>= \$ 325.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

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

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

NASD Dispute Resolution

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ARBITRATOR

Lewis J. Levey, Esq.

Public Arbitrator, Presiding Chairperson

Arbitrator's Signature

 /s/

Lewis J. Levey, Esq.

Public Arbitrator, Presiding Chairperson

10/31/05

Signature Date

11/01/05

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

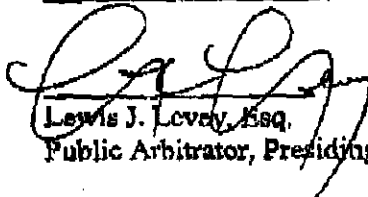
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Lewis J. Levey, Esq.

Public Arbitrator, Presiding Chairperson

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