
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
William Sain

Case Number: 04-05080

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

Hearing Site: Orlando, Florida

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

REPRESENTATION OF PARTIES

For William Sain, hereinafter referred to as "Claimant": Douglas H. Glicken, Esq., Douglas H. Glicken, 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": Tucker H. Byrd, Esq. and Jennifer Tomsen, Esq., Greenberg Traurig, P.A., Orlando, Florida.

CASE INFORMATION

Statement of Claim filed on or about: July 12, 2004.

Claimant signed, but did not date, the Uniform Submission Agreement.

Statement of Answer filed by Respondents on or about: August 27, 2004.

Respondent Grubman signed the Uniform Submission Agreement: November 3, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: November 7, 2004.

Amended Statement of Claim filed by Claimant on or about: June 13, 2005.

Final Hearing Brief in Response to Claimant's Amended Statement of Claim filed by Respondents on or about: July 11, 2005.

CASE SUMMARY

Claimant 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 Claimant's investment in both AT&T and 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

Claimant requested rescissionary damages in the amount of \$6,940.27, an unspecified amount of punitive damages, interest, costs in the amount of \$594.68, attorneys' fees in the amount of \$24,990.00, and such other relief as deemed appropriate by the Arbitrator.

Respondents requested that Claimant's Statement of Claim be denied in its entirety, and dismissed with prejudice, with attorneys' fees and costs assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

On or about May 3, 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 Claimant of an Amended Statement of Claim and by Respondents of a response thereto. On or about May 13, 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:

Respondents are jointly and severally liable to Claimant on the following causes of action: violation of NASD Rule 2210; violation of NYSE Rule 202; and, respondeat superior. As such, Respondents shall pay to Claimant compensatory damages in the amount of \$6,940.27, specifically excluding pre-judgment interest.

The parties' respective requests for attorneys' fees are denied.

Any and all claims for relief not specifically addressed herein, including Claimant's request for relief pursuant to Chapter 517.301 of the Florida Securities and Investor Protection Act and Claimant's request for punitive damages, 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
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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.

<u>Member Surcharge</u>	= \$325.00
<u>Total Member Fees</u>	= \$325.00

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.

Injunctive relief fees were not 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 @ \$250.00/session	= \$250.00
Pre-hearing conference: December 15, 2004 1 session	

<u>Total Forum Fees</u>	= \$250.00
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The Arbitrator has assessed the total forum fees of \$250.00 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

Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 75.00
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Total Fees	= \$ 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
Total Fees	= \$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
Total Fees	= \$125.00
<u>Less Payments</u>	= \$125.00
Balance Due NASD Dispute Resolution	= \$125.00

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

ARBITRATOR

Richard J. Fuller, CPA

Public Arbitrator

Arbitrator's Signature

/s/
Richard J. Fuller, CPA
Public Arbitrator

September 9, 2005
Signature Date

September 9, 2005
Date of Service (For NASD Dispute Resolution office use only)

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Total Fees	= \$ 75.00
<u>Less Payments</u>	<u>= \$ 75.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

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

Respondents are jointly and severally liable for:

Forum Fees	= \$250.00
<u>Total Fees</u>	<u>= \$125.00</u>
<u>Less Payments</u>	<u>= \$125.00</u>
Balance Due NASD Dispute Resolution	= \$125.00

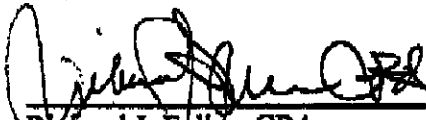
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