

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant
John Murphy

Case Number: 10-02971

vs.

Respondent
Citigroup Global Markets, Inc.

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

For John Murphy, hereinafter referred to as "Claimant": Jeffrey Erez, Esq., Sonn & Erez, PLC, Fort Lauderdale, Florida.

For Citigroup Global Markets, Inc., hereinafter referred to as "Respondent": Jon A. Jacobson, Esq., Greenberg Traurig, P.A., West Palm Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 25, 2010.
Claimant signed the Submission Agreement: June 22, 2010.
Statement of Answer filed by Respondent on or about: September 16, 2010.
Respondent signed the Submission Agreement: August 30, 2010.

CASE SUMMARY

Claimant asserted the following causes of action: 1) breach of fiduciary duty; 2) negligence; 3) negligent supervision; 4) fraud; and, 5) breach of contract. The causes of action relate to the purchase of Fannie Mae preferred stock in Claimant's account.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested compensatory damages between \$100,000.00 and \$500,000.00, punitive damages, interest, costs, and such other and further relief as this Panel deemed just and proper.

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In its Statement of Answer, Respondent requested that the Panel deny Claimant's Statement of Claim in its entirety, with prejudice, costs, and such other relief as this Panel deemed fair and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondent is found liable for breach of fiduciary duty and shall pay to Claimant compensatory damages in the amount of \$250,000.00, pre-judgment interest specifically excluded.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages, is denied.

FEES

Pursuant to the Code of Arbitration Procedure (the 'Code'), the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

Initial Claim Filing fee	=\$ 1,425.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

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, as a party and a member firm Respondent is assessed the following:

Member Surcharge	=\$ 1,700.00
Pre-Hearing Processing Fee	=\$ 750.00
Hearing Processing Fee	=\$ 2,750.00

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing

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conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00/session = \$ 450.00
Pre-hearing conference: February 6, 2012 1 session

One (1) Pre-hearing session with the Panel @ \$1,125.00/session = \$ 1,125.00
Pre-hearing conference: December 6, 2010 1 session

Nine (9) Hearing sessions @ \$1,125.00/session	= \$ 10,125.00
Hearing Dates:	
March 20, 2012	2 sessions
March 21, 2012	2 sessions
March 22, 2012	3 sessions
March 23, 2012	2 sessions

Total Hearing Session Fees = \$11,700.00

The Panel has assessed \$5,850.00 of the hearing session fees to Claimant.

The Panel has assessed \$5,850.00 of the hearing session fees to Respondent.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.


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ARBITRATION PANEL

David M. Levine	-	Public Arbitrator, Presiding Chairperson
Camille Besold	-	Public Arbitrator
Jon Stanley Spisiak	-	Non-Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures



 David M. Levine
 Public Arbitrator, Presiding Chairperson

3/29/2012

 Signature Date

 Camille Besold
 Public Arbitrator

 Signature Date

 Jon Stanley Spisiak
 Non-Public Arbitrator

 Signature Date

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

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Award Page 4 of 4

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David M. Levine	-	Public Arbitrator, Presiding Chairperson
Camille Besold	-	Public Arbitrator
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David M. Levine
Public Arbitrator, Presiding Chairperson

Signature Date

Camille Besold

Camille Besold
Public Arbitrator

3/29/12

Signature Date

Jon Stanley Spisiak
Non-Public Arbitrator

Signature Date

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

FINRA Dispute Resolution
Arbitration No. 10-02971
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ARBITRATION PANEL

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Camille Besold	-	Public Arbitrator
Jon Stanley Spisiak	-	Non-Public Arbitrator

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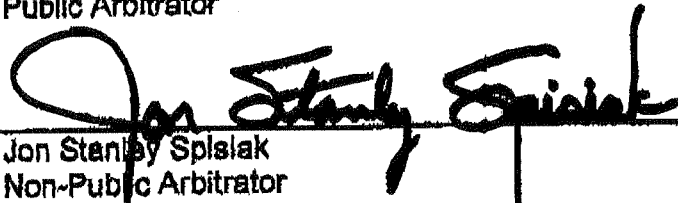
Concurring Arbitrators' Signatures

David M. Levine
Public Arbitrator, Presiding Chairperson

Signature Date

Camille Besold
Public Arbitrator

Signature Date



Jon Stanley Spisiak
Non-Public Arbitrator

3-29-2012

Signature Date

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

FINRA Dispute Resolution
Southeast Processing Center
Boca Center Tower 1
5200 Town Center Circle
Boca Raton, FL 33486
Email: FL-Main@finra.org
Phone: 561-416-0277
Fax: 301-527-4868



Number of Pages including the Cover Sheet: _____

Date: 03/30/2012

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Case Number: 10-02971

Case Name: John Murphy vs. Citigroup Global Markets, Inc.

To: Jeffrey Erez

Phone: 954-763-4700 Fax: 954-763-1866

From: Bonnie Simon
Senior Case Administrator

Message:

This facsimile transmission is intended only for the addressee(s) shown above. It may contain information that is privileged, confidential, or otherwise protected from disclosure. Any review, dissemination or use of this transmission or its contents by persons other than addressee is strictly prohibited. If you have received this transmission in error, please notify us immediately by telephone at the above number.

**VIA FACSIMILE AND MAIL**

March 30, 2012

Jeffrey Erez, Esq.
Sonn & Erez, PLC
500 East Broward Blvd.
Suite 1700
Fort Lauderdale, FL 33394

Subject: FINRA Dispute Resolution Arbitration Number 10-02971
John Murphy vs. Citigroup Global Markets, Inc.

Dear Mr. Erez:

Enclosed please find the decision reached by the arbitrator(s) in the above-referenced matter.

Responsibility to Pay Monetary Award

FINRA rules provide that all monetary awards shall be paid within 30 days of receipt unless a motion to vacate has been filed with a court of competent jurisdiction. An award shall bear interest from the date of the award:

- If not paid within 30 days of receipt;
- If the award is the subject of a motion to vacate which is denied; or
- As specified by the panel in the award.

Interest shall be assessed at the legal rate, if any, then prevailing in the state where the award was rendered, or at a rate set by the arbitrator(s).

Expedited Suspension Proceedings for Non-Payment of Awards

Article VI, Section 3 of the FINRA By-Laws and FINRA Rule 9554 permit FINRA to suspend or cancel the registration of any firm or associated person that fails to comply with a FINRA arbitration award.

Firms are required to notify FINRA in writing within 30 days of receipt of an award that they or their associated persons have paid or otherwise complied with the award, or to identify a valid basis for non-payment. We also request that prevailing claimants notify us in writing when their awards have not been paid within 30 days of receipt of the award.

Written notification concerning award compliance or lack thereof should be directed to:

Investor protection. Market integrity.

Dispute Resolution
Southeast Regional OfficeBoca Center Tower 1
5200 Town Center Circle
Suite 200
Boca Raton, FL
33486-1015t 561 416 0277
f 301 527 4868
www.finra.org

David Carey
FINRA Dispute Resolution
One Liberty Plaza, 165 Broadway, 52nd Floor
New York, NY 10006
212-858-4333 (tel) | 301-527-4706 (fax) | david.carey@finra.org (email)

Right to File Motion to Vacate Award

FINRA rules provide that, unless the applicable law directs otherwise, all awards rendered are final and are not subject to review or appeal. Accordingly, FINRA has no authority to vacate this award. Any party wishing to challenge the award must make a motion to vacate the award in a federal or state court of appropriate jurisdiction pursuant to the Federal Arbitration Act, 9 U.S.C. § 10, or applicable state statute. There are limited grounds for vacating an arbitration award, and a party must bring a motion to vacate within the time period specified by the applicable statute. If you are not represented by counsel and wish to challenge the award, we urge you to seek legal advice regarding any rights or remedies available to you.

Forum Fees

You will receive under separate cover an invoice that reflects the fees assessed and any outstanding balance or refund due. Fees are due and payable to FINRA Dispute Resolution upon receipt of the invoice and should be sent to the address specified on the invoice. Any applicable refunds will also be sent under separate cover approximately 45 days after the case closes. All questions regarding payment of fees and refunds should be directed to FINRA Finance at (240) 386-5910.

Arbitrator Evaluation

FINRA encourages parties to complete Arbitrator Evaluation Forms at the conclusion of every case. We will utilize your comments in our ongoing efforts to evaluate and improve the services our forum provides. You can complete the Arbitrator Evaluation Form on our website at www.finra.org/arbevaluation.

Party Submissions to Arbitrators After a Case Closes

FINRA rules provide that parties may not submit documents to arbitrators in cases that have been closed except under the following limited circumstances: 1) as ordered by a court; 2) at the request of any party within 10 days of service of an award, for typographical or computational errors, or mistakes in the description of any person or property referred to in the award; or 3) if all parties agree and submit documents within 10 days of service of an award. Any documents, if submitted, must be sent through FINRA.

Questions Concerning Award

Should you have any questions, please contact me at the phone number or email address provided below. Parties should not directly contact arbitrators under any circumstances.

Very truly yours,

Bonnie R. Simon/kr

Bonnie R. Simon
Senior Case Administrator
Phone: 561-416-0277
Fax: 301-527-4868
FL-Main@finra.org

BRS:kr1:LC09A
idr: 09/14/2011

Encl.

RECIPIENTS:

Jeffrey Erez, Esq., John Murphy
Sonn & Erez, PLC, 500 East Broward Blvd., Suite 1700, Fort Lauderdale, FL 33394

Jon A. Jacobson, Esq., Citigroup Global Markets, Inc.
Greenberg Traurig, P.A., 777 South Flager Drive, Suite 300 East, West Palm Beach, FL
33401