

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Joseph Sirico
Maria Sirico

Case Number: 02-04868

Name of the Respondents

Citigroup Global Markets, Inc.
f/k/a Salomon Smith Barney, Inc.
Marc D. Karstaedt

Hearing Site: Charlotte, North Carolina

REPRESENTATION OF PARTIES

Claimants, Joseph Sirico and Maria Sirico, hereinafter collectively referred to as "Claimants", were represented by James D. Calmes, III, Esq., Attorney at Law, Greenville, South Carolina.

Respondents Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney, Inc. ("Citigroup") and Marc D. Karstaedt ("Karstaedt"), hereinafter collectively referred to as "Respondents", were represented by Cory Hohnbaum, Esq., Kennedy Covington, Charlotte, North Carolina.

CASE INFORMATION

Statement of Claim filed on September 12, 2002.

Claimants signed the Uniform Submission Agreement on August 15, 2002.

Statement of Answer filed by Respondents on November 21, 2002.

James S. Goddard, Senior Vice President of Respondent Citigroup, executed the Uniform Submission Agreement on November 21, 2002.

Respondent Karstaedt signed the Uniform Submission Agreement on November 20, 2002.

CASE SUMMARY

Claimants asserted the following causes of action, among others: failure to execute; failure to supervise; and, negligence. The causes of action relate to the purchase and sale of Intel common stock.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; assumption of the risk; Claimants' claims are barred by the doctrines of estoppel, ratification, affirmance and acquiescence; and, Claimants authorized all transactions in question.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 4,500,000.00
Treble Damages	amount unspecified
Interest	\$ 750,000.00

Respondents requested that Claimants' claims be denied; that they be awarded costs and expenses associated with the proceeding; and, that the Arbitration Panel (the "Panel") order expungement of all reference to this matter from Respondent Karstaedt's CRD record.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant Maria Sirico appeared at the hearing through counsel.

The parties 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, motions and responses thereto, and hearing oral argument, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims are denied in their entirety;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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	= \$ 600.00
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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 party.

Member surcharge	= \$ 3,750.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

July 16-17 2003 adjournment requested by Claimants	= \$ 1,200.00
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Forum Fees and Assessments

The Panel 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 a single arbitrator @ \$ 450.00	= \$ 450.00
Pre-hearing conference: September 2, 2003 1 session	

One (1) Pre-hearing session with Panel @ \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: April 21, 2003 1 session	

Three (3) Hearing sessions @ \$ 1,200.00	= \$ 3,600.00
Hearing Dates: September 24, 2003 2 sessions	
September 25, 2003 1 session	

Total Forum Fees	= \$ 5,250.00
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1. The Panel has assessed \$ 2,625.00 of the forum fees to Claimants.
2. The Panel has assessed \$ 2,625.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is assessed and shall pay:	
Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$ 2,625.00
Total Fees	= \$ 4,425.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 2,625.00

2. Respondent Citigroup is assessed and shall pay:	
Member Fees	= \$ 10,000.00
Total Fees	= \$ 10,000.00
Less payments	= \$ 10,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondent Citigroup and Respondent Karstaedt are jointly and severally assessed

and shall pay:

Forum Fees	= \$ 2,625.00
Total Fees	= \$ 2,625.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 2,625.00

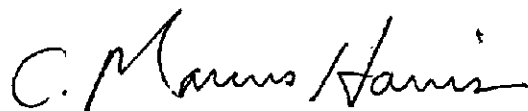
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

C. Marcus Harris, Esq.	-	Public Arbitrator, Presiding Chairperson
Amanda M. Cole, CPA, CFP	-	Public Arbitrator, Panelist
William W. Marchant, Jr.	-	Non-Public Arbitrator, Panelist

NASD Dispute Resolution

Arbitration No. 02-04868

Award Page 5Concurring Arbitrators' Signatures

C. Marcus Harris, Esq.
Public Arbitrator, Presiding Chairperson

10-15-03

Signature Date

Amanda M. Cole, CPA, CFP
Public Arbitrator, Panelist

Signature Date

William W. Marchant, Jr.
Non-Public Arbitrator, Panelist

Signature Date



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

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Concurring Arbitrators' Signatures

C. Marcus Harris, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Amanda M. Cole

Amanda M. Cole, CPA, CFP
Public Arbitrator, Panelist

10-14-03

Signature Date

William W. Marchant, Jr.
Non-Public Arbitrator, Panelist

Signature Date

October 22, 2003
Date of Service (For NASD Dispute Resolution office use only)

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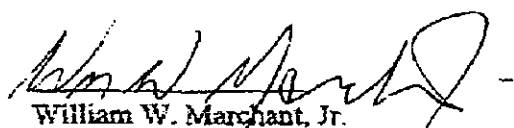
Concurring Arbitrators' Signatures

C. Marcus Harris, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Amazinda M. Cole, CPA, CFP
Public Arbitrator, Panelist

Signature Date


William W. Marchant, Jr.
Non-Public Arbitrator, Panelist

10/21/03
Signature Date

October 22, 2003
Date of Service (For NASD Dispute Resolution office use only)