

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Anthony Martella (Claimant) v. Salomon Smith Barney, Inc. and Frank Melia, (Respondents)

Case Number: 02-05793

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Anthony Martella, hereinafter referred to as "Claimant": represented by Michael S. Finkelstein, Esq., Finkelstein & Feil LLP, Garden City, New York.

Respondents, Salomon Smith Barney, now known as Citigroup Global Markets Inc. and using the service mark Smith Barney ("Smith Barney") and Frank Melia ("Melia"), hereinafter (collectively) referred to as "Respondents": represented by Michael C. Farkas, Esq., Associate General Counsel, Citigroup Global Markets Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: September 24, 2002

Claimant signed the Uniform Submission Agreement: September 24, 2002

Statement of Answer filed by Respondents on or about: November 26, 2002

Respondent Melia signed the Uniform Submission Agreement: November 25, 2002

Respondent Smith Barney signed the Uniform Submission Agreement: November 25, 2002

CASE SUMMARY

Claimant asserted the following causes of action: Unsuitable purchases, securities fraud, breach of fiduciary duty, common law fraud, breach of contract, negligence, and failure to supervise. Claimant's claims involved unspecified financial products.

Unless specifically admitted in its Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: all transactions were appropriately entered and confirmed, there were no violations of law or breaches of any duties whatsoever, Claimant failed to timely complain, Claimant assumed the risk of loss, losses were not those stated in the Claim, and loss was due to other causes.

RELIEF REQUESTED

Claimants requested \$60,000; punitive damages in the amount of \$250,000; interest; costs; and attorney's fees.

Respondents requested dismissal of the Statement of Claim in its entirety and expungement of Mr. Melia's regulatory records.

OTHER ISSUES CONSIDERED AND DECIDED

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 and the parties' submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have entered into a confidential settlement agreement, and agree that all claims should be dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Frank Melia's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Melia must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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	= \$ 300.00
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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 that employed the associated person(s) at the time of the events giving rise to the dispute. In this matter, the member firm Salomon Smith Barney (now known as Citigroup Global Markets Inc.) is a party.

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

(1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: July 28, 2003 1 session	

Total Forum Fees	= \$ 1,125.00
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1. The Panel has assessed \$562.50 of the forum fees Claimant.
2. The Panel has assessed \$562.50 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 862.50
<u>Less payments</u>	= \$1,425.00
Refund Due Claimant	= \$ 562.50

2. Respondent Salomon Smith Barney is solely liable for:

<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
<u>Total Fees</u>	= \$ 562.50
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 562.50

All balances are due and payable to NASD Dispute Resolution

Parties' Signatures



Anthony Martella
Claimant

Signature Date

Citigroup Global Markets Inc.
By Michael C. Farkas, Esq.
Respondent

Signature Date

Frank Melia
Respondent

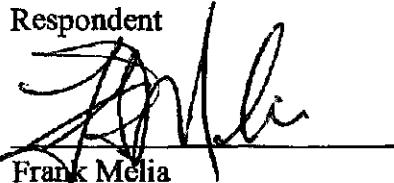
Signature Date

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Anthony Martella
Claimant

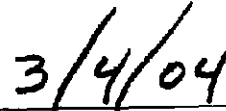


Citigroup Global Markets Inc.
By Michael C. Farkas, Esq.
Respondent

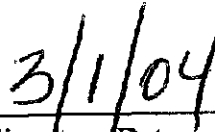


Frank Melia
Respondent

Signature Date



Signature Date



Signature Date

ARBITRATION PANEL

Richard E. Lerner, Esq.
Mary Ellen Burns, Esq.
Jonathan Frede

- Public Arbitrator, Presiding Chair
- Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures

Richard E. Lerner

Richard E. Lerner, Esq.
Public Arbitrator, Presiding Chair

3/11/04
Signature Date

Mary Ellen Burns, Esq.
Public Arbitrator

Signature Date

Jonathan Frede
Non-Public Arbitrator

Signature Date

March 12, 2004
Date of Service (For NASD office use only)

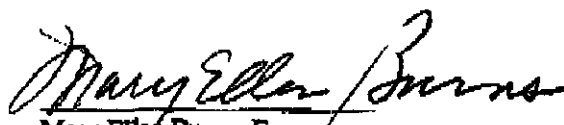
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