

**Stipulated Award
NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Christopher Parry, Claimant v. Salomon Smith Barney, Inc. nka Citigroup Global Markets, Inc.,
Kevin G. Michalczewski (also known as Kevin G. Michals) and Michael J. Dechiario,
Respondents

Case Number: 03-01117

Hearing Site: San Francisco, California

Nature of the Dispute: Customer v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimant:

Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Markun Zusman & Compton LLP
San Francisco, California

For Respondents:

Peter R. Boutin, Esq.
Lisa M. Bertain, Esq.
Keesal, Young & Logan
San Francisco, California

CASE INFORMATION

Statement of Claim filed: February 11, 2003

Claimant's Uniform Submission Agreement signed: March 5, 2003

Joint Statement of Answer filed by Respondents Salomon Smith Barney, Inc. nka Citigroup
Global Markets, Inc. ("CGMI"), Kevin G. Michalczewski and Michael J. Dechiario: February
11, 2003

Respondent Kevin G. Michalczewski's Uniform Submission Agreement signed: March 24, 2003

Respondent Michael J. Dechiario's Uniform Submission Agreement filed: April 10, 2003

CASE SUMMARY

In the Statement of Claim, Claimant complains that Respondents failed to sell and/or hedge his concentrated position in Juniper Networks ("JNPR"). Respondents' position is that it made multiple recommendations both orally and in writing to sell and/or hedge Claimant's concentrated position.

RELIEF REQUESTED

Claimant requested:

1. Compensatory damages of approximately \$24,000,000.00;
2. Interest;
3. Punitive damages of approximately \$24,000,000.00;
4. Attorney's fees;
5. Costs of suit and forum fees; and
6. All other relief that the Panel deems appropriate.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and an award of costs based on the bad faith nature of this suit. Respondents also requested an expungement of all references to the above captioned arbitration from Kevin G. Michals (also known as Kevin G. Michalczewski's) and Michael J. Dechiario's registration records maintained by the NASD Central Registration Depository.

OTHER ISSUES CONSIDERED AND DECIDED

On or about February 11, 2003, the parties agreed to transfer the above-referenced dispute from the Pacific Exchange, Inc. to NASD Dispute Resolution ("NASD-DR").

Respondent CGMI did not file with NASD-DR a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD-DR Code of Arbitration Procedure ("the Code") and, having answered the Claim, is bound by the determination of the Panel on all issues submitted.

On March 17, 2003, Claimant and Claimant's counsel filed a signed Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On May 14, 2003, Respondents' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

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

STIPULATION

It is hereby stipulated by Claimant and Respondents, through their undersigned attorneys that:

1. All of Claimant's claims asserted against the Respondents are hereby dismissed with prejudice; and
2. Claimant and Respondents jointly request that the Panel render the following award:

The Panel recommends the expungement of all references to the above captioned arbitration from Respondents Kevin G. Michals' and Michael J. Dechiario's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Kevin G. Michals and Michael J. Dechiario must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

AWARD

After considering the preceding Stipulation of the parties, the Panel has decided in full and final resolution of the issues submitted for determination, as follows:

1. Claimant's claims are dismissed with prejudice in their entirety as to all Respondents.
 2. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Kevin G. Michals' (who also goes by Kevin G. Michalczewski) registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Kevin G. Michals must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
 3. The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Michael J. Dechiario's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Michael J. Dechiario must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
 4. Each party shall bear its own costs, including attorney's fees.
 5. All other relief not expressly granted is denied.
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FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD-DR received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 600.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm CGMI is a party and the following fees are assessed:

Member Surcharge	= \$ 3,750.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 5,500.00</u>
Total Member Fees	= \$ 10,000.00

Adjournment Fees

The Panel assessed Claimant the \$1,200.00 postponement fee in connection with the postponed hearing dates of May 24-28, 2004.

The postponement fee of \$1,200.00 was waived in connection with the postponed hearing dates of March 14-18, 2005.

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: September 26, 2003 1 session	

Total Forum Fees	= \$ 1,200.00
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1. The Panel assessed \$600.00 of the forum fees to Claimant.
2. The Panel assessed \$600.00 of the forum fees to Respondent CGMI.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 2,400.00
Less Payments	= \$(4,600.00)
Refund Due Claimant	= \$(2,200.00)

2. Respondent CGMI is charged with the following fees and costs:

Member Fees	= \$ 10,000.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 10,600.00
Less Payments	= \$(10,600.00)
Balance Due NASD-DR	= \$ 0.00

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

Parties' Signatures

Dated: _____

3/11/05



Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Markun Zusman & Compton LLP
Attorneys for CHRISTOPHER PARRY

Dated: _____

Peter R. Boutin, Esq.
Lisa Bertain, Esq.
Keesal, Young & Logan
Attorneys for CITIGROUP GLOBAL MARKETS,
INC. (f/k/a Salomon Smith Barney, Inc.), KEVIN
G. MICHALS and MICHAEL J. DECHIARIO

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Balance Due NASD-DR	= \$ 0.00

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

Parties' Signatures

Dated: _____

Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Markun Zusman & Compton LLP
Attorneys for CHRISTOPHER PARRY


Dated: 4/8/05

Peter R. Boutin, Esq.
Lisa Bertain, Esq.
Keesal, Young & Logan
Attorneys for CITIGROUP GLOBAL MARKETS,
INC. (f/k/a Salomon Smith Barney, Inc.), KEVIN
G. MICHALS and MICHAEL J. DECHIARIO

ARBITRATION PANEL

Bruce T. Mitchell, Esq.	-	Public Arbitrator, Presiding Chair
E. Carol Cohen	-	Public Arbitrator
Donald S. Duerson	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Bruce T. Mitchell, Esq.
Chair, Public Arbitrator

21 April 2005

Signature Date

E. Carol Cohen
Public Arbitrator

Signature Date

Donald S. Duerson
Non-Public Arbitrator

Signature Date

5/9/05

Date of Service

ARBITRATION PANEL

Bruce T. Mitchell, Esq.	-	Public Arbitrator, Presiding Chair
E. Carol Cohen	-	Public Arbitrator
Donald S. Duerson	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Bruce T. Mitchell, Esq.
Chair, Public Arbitrator

Signature Date



05/06/05

E. Carol Cohen
Public Arbitrator

Signature Date

Donald S. Duerson
Non-Public Arbitrator

Signature Date

5/9/05
Date of Service

ARBITRATION PANEL

Bruce T. Mitchell, Esq.	-	Public Arbitrator, Presiding Chair
E. Carol Cohen	-	Public Arbitrator
Donald S. Duerson	-	Non-Public Arbitrator

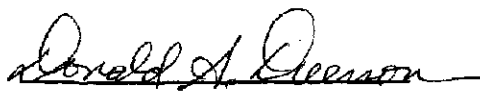
Concurring Arbitrators' Signatures

Bruce T. Mitchell, Esq.
Chair, Public Arbitrator

Signature Date

E. Carol Cohen
Public Arbitrator

Signature Date


Donald S. Duerson
Non-Public Arbitrator

4-21-05
Signature Date

5/9/05
Date of Service