

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Robynne Brown

Christopher R. Malone

Case Number: 03-08226

Names of the Respondents

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

Kevin Keating

Jack Grubman

Hearing Site: Washington, D.C.

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

REPRESENTATION OF PARTIES

For Robynne Brown and Christopher R. Malone, hereinafter collectively referred to as "Claimants": Edward Zusman, Esq. and Amir Tajedin, Esq., Markun Zusman and Compton, LLP, San Francisco, CA.

For Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("Citigroup"), Kevin Keating ("Keating"), and Jack Grubman ("Grubman"), hereinafter collectively referred to as "Respondents": Joseph A. Ingrisano, Esq. and Nancy E. Nunan, Esq., Kutak Rock LLP, Washington, D.C.

CASE INFORMATION

Statement of Claim filed on or about: November 17, 2003.

Claimant Brown signed the Uniform Submission Agreement: August 3, 2003.

Claimant Malone signed the Uniform Submission Agreement: August 7, 2003.

Statement of Answer filed by Respondents on or about: March 11, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: March 18, 2004.

Respondent Keating signed the Uniform Submission Agreement: April 12, 2004.

Respondent Grubman signed the Uniform Submission Agreement: March 18, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty and constructive fraud; professional negligence; unfair and unlawful business practices; respondeat superior/agency; and, negligent supervision. The causes of action relate to Claimants' exercise of their WorldCom employee stock options.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested total compensatory damages of approximately \$650,000.00, representing approximately \$450,000.00 requested by Claimant Brown and approximately \$200,000.00 requested by Claimant Malone, as well as interest, punitive damages against Respondents Citigroup and Grubman, attorneys' fees, costs, and all other relief that the undersigned arbitrators (the "Panel") deemed appropriate.

Respondents requested dismissal of the Statement of Claim in its entirety and their costs of this action, including reasonable attorneys' fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On or about November 13, 2006, the parties filed a proposed Stipulated Award ("Stipulated Award") which requested expungement of this matter from the NASD Central Registration Depository ("CRD") records of Respondent Keating.

On or about November 28, 2006, the Panel entered an order which granted the parties' request for entry of the proposed Stipulated Award.

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

AWARD

After considering the pleadings and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Any and all claims asserted in this matter against Respondent Keating are hereby dismissed, with prejudice. Accordingly, Respondent Keating requested the expungement of all references to this arbitration from his registration records maintained by the NASD CRD. Claimants agreed to such expungement.

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent Keating's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Keating must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

All claims against Respondents Citigroup and Grubman are hereby dismissed, with prejudice, pursuant to a settlement reached between Respondent Citigroup and Claimants.

Any and all relief not specifically addressed is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure ("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	= \$ 375.00
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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.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were assessed during these proceedings.

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 during these proceedings.

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 panel.

No injunctive relief fees were assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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 Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: June 15, 2004 1 session	

Total Forum Fees	= \$1,200.00
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Pursuant to the agreement of the parties, \$600.00 of the forum fees are assessed jointly and severally to Claimants and \$600.00 of the forum fees are assessed jointly and severally to Respondents.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$	375.00
Forum Fees	= \$	600.00
Total Fees	= \$	975.00
Less payments	= \$	975.00
Balance Due NASD Dispute Resolution	= \$	0.00

Respondent Citigroup is solely liable for:

Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$	600.00
Total Fees	= \$	600.00
Less payments	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	600.00

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

ARBITRATION PANEL

Kenneth J. Annis, Esq. - Public Arbitrator, Presiding Chairperson
 Ian R.D. Williams, Esq. - Public Arbitrator
 Richard A. Purkiss - Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Kenneth J. Annis, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Ian R.D. Williams, Esq.
Public Arbitrator

Signature Date

/s/
Richard A. Purkiss
Non-Public Arbitrator

Signature Date

November 30, 2006
Date of Service (For NASD Dispute Resolution use only)

Pursuant to the agreement of the parties, \$600.00 of the forum fees are assessed jointly and severally to Claimants and \$600.00 of the forum fees are assessed jointly and severally to Respondents.

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 are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Citigroup is solely liable for:

Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

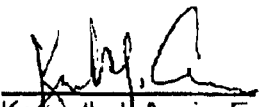
Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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ARBITRATION PANEL

Kenneth J. Annis, Esq.	-	Public Arbitrator, Presiding Chairperson
Ian R.D. Williams, Esq.	-	Public Arbitrator
Richard A. Purkiss	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Kenneth J. Annis, Esq.
Public Arbitrator, Presiding Chairperson


Signature Date



Ian R.D. Williams, Esq.
Public Arbitrator

11-29-06

Signature Date

Richard A. Purkiss
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

Ian R.D. Williams, Esq.
Public Arbitrator

Signature Date



Richard A. Purkiss
Non-Public Arbitrator

11/30/06
Signature Date

Date of Service (For NASD Dispute Resolution use only)