

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Richard Franklin

Case Number: 04-00859

Names of the Respondents
Citigroup Global Markets, Inc.
f/k/a Salomon Smith Barney, and
Edward J. Warticki

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Richard Franklin, hereinafter referred to as "Claimant": Philip M. Giordano, Esq.,
Giordano & Company, P.C., Boston, Massachusetts.

For Citigroup Global Markets, Inc. f/k/a Salomon Smith Barney ("Citigroup") and Edward
J. Warticki ("Warticki"), hereinafter collectively referred to as "Respondents": Matthew N.
Thibaut, Esq., Boose Casey Ciklin Lubitz Martens McBane & O'Connell, West Palm
Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: February 9, 2004.

Claimant signed the Uniform Submission Agreement: February 6, 2004.

Motion to Dismiss, Answer and Affirmative Defenses filed by Respondents on or about:
May 17, 2004.

Respondent Citigroup signed the Uniform Submission Agreement: May 14, 2004.

Respondent Warticki did not submit an executed a Uniform Submission Agreement.

Claimant's Opposition to Respondents' Motion to Dismiss filed on or about: June 4,
2004.

CASE SUMMARY

Claimant asserted the following causes of action: 1) violation of Federal Securities Laws; 2) violation of State Securities Laws; 3) breach of contract; 4) breach of fiduciary duty; 5) fraud and deceit; 6) negligent misrepresentation; 7) breach of duty of reasonable care and fair practice; 8) failure to supervise; 9) control person liability; and, 10) civil conspiracy. The causes of action relate to Claimant's investments in, including but not limited to, technology and pharmaceutical stocks.

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

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in an amount of \$250,000.00; 2) lost opportunities; 3) costs, including forum fees; 4) statutory interest; 5) attorneys' fees; and, 6) unspecified punitive damages.

Respondents did not delineate a relief request in their Statement of Answer.

OTHER ISSUES CONSIDERED AND DECIDED

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

On or about December 7, 2004, the Panel issued an order deferring their ruling on Respondents' Motion to Dismiss until the evidentiary hearing.

On or about November 17, 2006, the parties submitted a Stipulation to Dismiss and Expunge the NASD Central Registration Depository ("CRD") record of Respondent Warticki. On or about December 12, 2006, the Panel ordered a hearing on the request for expungement. On or about January 23, 2007, the Panel heard oral argument regarding the expungement of the CRD record of Respondent Warticki. On or about February 5, 2007, the Panel issued an order granting the request for expungement and entry of the Stipulated Award.

The parties 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, the hearing held on January 23, 2007 and the stipulation of the parties, the Panel has decided in full and final resolution the issues submitted for determination:

Claimant's withdrawal of his claims against Respondents with prejudice is accepted and all Respondents are dismissed from this matter.

The Panel finds that this action was filed on February 9, 2004 which is prior to the effective date, April 4, 2004, of Rule 2130.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Warticki's registration records maintained by CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Warticki 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 |
|--------------------------|-------------|

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. In this matter, the member firm is Citigroup.

| | |
|----------------------------|---------------------|
| Member surcharge | = \$1,700.00 |
| Pre-hearing process fee | = \$ 750.00 |
| <u>Hearing process fee</u> | <u>= \$2,750.00</u> |
| Total Member fees | = \$5,200.00 |

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees 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:

There were no three-day cancellation fees 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.

There were no injunctive relief fees assessed during these proceedings.

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:

| | |
|--|--------------|
| Two (2) Pre-hearing sessions with Panel @ \$1,125.00/session | = \$2,250.00 |
| Pre-hearing conferences: September 10, 2004 | 1 session |
| December 7, 2004 | 1 session |

| | | |
|--|-----------|--------------|
| October 30, 2006 | 1 session | |
| One (1) Hearing session @ \$1,125.00/session | | = \$1,125.00 |
| Hearing Date: January 23, 2007 | 1 session | |
| <hr/> Total Forum Fees | | = \$3,375.00 |

The Panel has assessed \$1,687.50 of the forum fees to Claimants.
The Panel has assessed \$1,687.50 of the forum fees to Respondents, jointly and severally.

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

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

| | |
|-------------------------------------|--------------|
| Initial Filing Fee | = \$ 300.00 |
| Forum Fees | = \$1,687.50 |
| Total Fees | = \$1,987.50 |
| Less payments | = \$1,575.00 |
| Balance Due NASD Dispute Resolution | = \$ 412.50 |

Respondent Citigroup is solely liable for:

| | |
|-------------------------------------|--------------|
| Member Fees | = \$5,200.00 |
| Total Fees | = \$5,200.00 |
| Less payments | = \$5,200.00 |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

Respondents Citigroup and Warticki are jointly and severally liable for:

| | |
|-------------------------------------|--------------|
| Forum Fees | = \$1,687.50 |
| Total Fees | = \$1,687.50 |
| Less payments | = \$ 0.00 |
| Balance Due NASD Dispute Resolution | = \$1,687.50 |

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

ARBITRATION PANEL

Seth L. Finkel, Esq.
Frances D. Sheehy, Esq.
Elwood Henry Weilage

Public Arbitrator, Presiding Chairperson
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Seth L. Finkel, Esq.
Public Arbitrator, Presiding Chairperson

February 8, 2007
Signature Date

/s/
Frances D. Sheehy, Esq.
Public Arbitrator

February 8, 2007
Signature Date

/s/
Elwood Henry Weilage
Non-Public Arbitrator

February 8, 2007
Signature Date

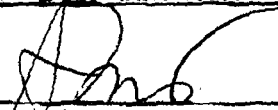
February 8, 2007
Date of Service (For NASD Dispute Resolution use only)

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Non-Public Arbitrator

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Seth L. Finkel, Esq.
Public Arbitrator, Presiding Chairperson

2/8/07
Signature Date

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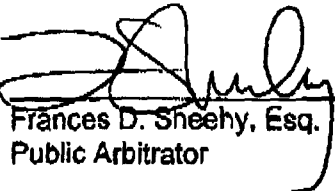
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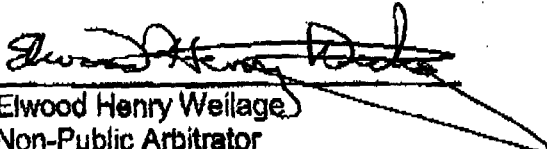
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