

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Howard K. Goldstein and Ellen Solis-Cohen Goldstein, JTWROS (Claimants) v. Richard Drayton, Jr. and Salomon Smith Barney, Inc. (Respondents)

Case Number: 04-07508

Hearing Site: Philadelphia, Pennsylvania

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

REPRESENTATION OF PARTIES

Claimants Howard K. Goldstein ("Howard Goldstein") and Ellen Solis-Cohen Goldstein ("Ellen Goldstein"), JTWROS, hereinafter collectively referred to as "Claimants": William P. Murphy, Esq., Law Office of William Murphy, Philadelphia, PA.

Respondent Richard Drayton, Jr. ("Drayton"): Joshua Horn, Esq., Fox Rothchild LLP, Philadelphia, PA.

Respondent Salomon Smith Barney, Inc., now known as Citigroup Global Markets, Inc., ("Citigroup") Jeffrey D. Grossman, Esq., Stradley Ronon Stevens and Young, LLP, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on or about: October 27, 2004.

Howard Goldstein signed the Uniform Submission Agreement: October 25, 2004.

Ellen Goldstein signed the Uniform Submission Agreement: October 25, 2004.

Statement of Answer filed by Drayton on or about: April 22, 2005.

Drayton signed the Uniform Submission Agreement: April 22, 2005.

Statement of Answer filed by Citigroup on or about: December 20, 2004.

Citigroup signed the Uniform Submission Agreement: September 26, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract; failure to supervise; negligence; omission of facts; breach of fiduciary duty; misrepresentations; manipulations; and, omission of facts. The causes of action relate to the purchase of common stock in Discreet Communications Group and Printer Alliance.

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

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$505,000.00, interest, and \$1,575.00 in costs.

Respondent Drayton requested that Claimants' claims be dismissed in their entirety.

Respondent Citigroup requested that Claimants' claims be dismissed in their entirety.

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, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein is denied.

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	= \$ 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 that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Citigroup Global Markets, Inc., is 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:

November 15, 16, 17, 18, 2005 adjournment by Drayton	= \$ 1,200.00
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| Postponement Fee | = \$ 1,200.00 |
| Total Fees | = \$ 1,200.00 |
| Less payments | = \$ 0.00 |

Balance Due NASD Dispute Resolution = \$ 1,200.00

3. Respondent Citigroup is solely liable for:

Member Fees	= \$ 7,000.00
<u>Administrative Fees</u>	<u>= \$ 165.00</u>
Total Fees	= \$ 7,165.00
<u>Less payments</u>	<u>= \$ 7,165.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Respondents Drayton and Citigroup are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$14,850.00</u>
Total Fees	= \$14,850.00
<u>Less Payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$14,850.00

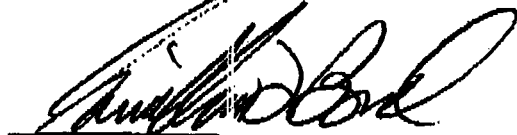
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Guillermo L. Bosch
Gary I. Kravis, M.D.
Richard A. Pascoe

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator
- Non-Public Arbitrator

Concurring Arbitrators' Signatures



Guillermo L. Bosch
Non-Public Arbitrator, Presiding Chairperson



Signature Date

Gary I. Kravis, M.D.
Non-Public Arbitrator

Signature Date

Richard A. Pascoe
Non-Public Arbitrator

Signature Date

September 26, 2006

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

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Gary I. Kravis, M.D.	-	Public Arbitrator
Richard A. Pascoe	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

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Non-Public Arbitrator, Presiding Chairperson

Signature Date

Gary I. Kravis, M.D.
Gary I. Kravis, M.D.
Non-Public Arbitrator

9/26/06
Signature Date

Richard A. Pascoe
Non-Public Arbitrator

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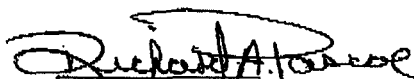
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