

**Stipulated Award
NASD Dispute Resolution**

COPY

In the Matter of the Arbitration Between:

Vaggi Lieberman, individually and on behalf of the Vaggi Lieberman IRA; Katina Torino, individually and on behalf of the Katina Torino IRA; Alexis Lieberman; Lawrence Lieberman on behalf of the Lawrence Lieberman IRA; Seville Gardens; Katina & Associates, Inc.; Courtyard Apartments; and KV Development Corp. Pension Plan, Claimants v. Citigroup Global Markets Inc. f/k/a Salomon Smith Barney, Inc. and Robert Fullerton, Respondents

Case Number: 05-00082

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimants:

Robert C. Rosen, Esq.
Kirsten Anderson, Esq.
Rosen & Associates, P.C.
Los Angeles, California

For Respondents Citigroup Global Markets Inc.
f/k/a Salomon Smith Barney, Inc.
("Citigroup Global Markets") and Robert Fullerton:

Samuel A. Keesal, Jr., Esq.
Stacey M. Garrett, Esq.
Elizabeth A. Logan, Esq.
Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed: January 5, 2005

First Amended Statement of Claim filed: January 18, 2006

Claimants' Joint Uniform Submission Agreement signed: December 20, 2004

Respondents' Joint Statement of Answer filed: March 28, 2005

Respondents' Joint Statement of Answer to Claimants' First Amended Statement of Claim filed: March 24, 2006

Respondent Citigroup Global Markets' Uniform Submission Agreement signed: March 29, 2005

Respondent Robert Fullerton's Uniform Submission Agreement signed: March 3, 2005

CASE SUMMARY

In the Statements of Claim, Claimants alleged negligence, negligent and/or intentional misrepresentation, failure to supervise, violations of NYSE and NASD Rules and regulations, violations of state and federal securities laws, breach of fiduciary duty, fraud and deceit, and suitability. Claimants' claims involved unspecified securities.

In their Answers to the Statements of Claim, Respondents denied the allegations of wrongdoing set forth in the Claimants' Statements of Claim and set forth various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in an amount to be proven at the hearing but estimated to be \$4,000,000.00, unspecified punitive damages, and costs, including attorney's fees and forum fees.

Respondents requested dismissal of the Claimants' Statements of Claim in their entirety, expungement of all reference to this matter from Respondent Robert Fullerton's registration records maintained by the NASD Central Registration Depository ("CRD"), sanctions for frivolous and malicious prosecution, and costs, including arbitrators' fees and expenses.

OTHER ISSUES CONSIDERED AND DECIDED

On September 5, 2006, Claimants dismissed all claims against Respondent Robert Fullerton.

On or about September 7, 2006, the parties agreed to resolve and dismiss the case against Respondent Citigroup Global Markets. As part of the dismissal, Claimants support a Stipulated Award being issued expunging the references to this proceeding from the CRD record of Respondent Robert Fullerton, pursuant to NASD Rule 2130(b)(1)(B).

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' request for this Stipulated Award, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants and Respondents have entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Robert Fullerton's registration records maintained by the CRD, with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Robert Fullerton must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the Arbitration Panel has made the following affirmative finding of fact:

The registered person was not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

3. The Panel makes the above affirmative finding of fact based on the following:

At the time of the filing of this case, Claimants had a good-faith belief in the accuracy of the allegations in the Statement of Claim. Upon review of the documentation and evidence produced by Respondents Citigroup Global Markets and Robert Fullerton in the course of the arbitration, Claimants concluded that Robert Fullerton was not involved in the investment-related sales practice violations alleged in the Statement of Claim. Consequently, Claimants agree that it is

appropriate that this matter be dismissed and expunged from Robert Fullerton's CRD record.

4. The parties shall bear their respective costs, including attorney's fees, except to the extent set forth herein. Respondent Citigroup Global Markets shall be assessed any additional forum fees or costs incurred in connection with the pursuit of the expungement provided by this Stipulated Award.
5. Except as provided by the parties' settlement agreement, all other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution 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 Citigroup Global Markets is a party and the following fees are assessed:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 5,000.00</u>
Total Member Fees	= \$ 8,550.00

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:

Cancellation of September 11-15 & 18-19, 2006 hearing	= \$ 300.00
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1. The Panel assessed \$150.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$150.00 of the forum fees to Respondent Citigroup Global Markets.

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: August 22, 2005 1 session

Total Forum Fees = \$ 1,200.00

1. The Panel assessed \$600.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Claim Filing Fee	= \$ 600.00
Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$ 600.00
Retained Deposit in Accordance with Rule 10332(f) of the Code	= \$ 600.00
Total Fees	= \$ 1,950.00
Less payments	= \$(1,200.00)
Balance Due NASD Dispute Resolution	= \$ 750.00

2. Respondent Citigroup Global Markets is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
Three-Day Cancellation Fee	= \$ 150.00
Total Fees	= \$ 8,700.00
Less payments	= \$(8,550.00)
Balance Due NASD Dispute Resolution	= \$ 150.00

3. Respondents are charged jointly and severally with the following fees and costs:

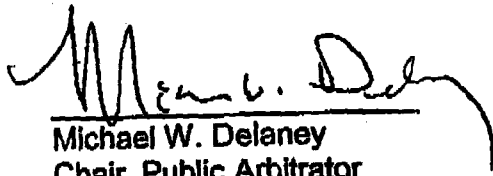
Forum Fees	= \$ 600.00
Less payments	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

Michael W. Delaney	-	Public Arbitrator, Presiding Chair
Constance Ellen Boukidis	-	Public Arbitrator
William S. Diver	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Michael W. Delaney
Chair, Public Arbitrator

11-9-06
Signature Date

Constance Ellen Boukidis
Public Arbitrator

Signature Date

William S. Diver
Non-Public Arbitrator

Signature Date

11/20/06
Date of Service

ARBITRATION PANEL

Michael W. Delaney	-	Public Arbitrator, Presiding Chair
Constance Ellen Boukidis	-	Public Arbitrator
William S. Diver	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Michael W. Delaney
Chair, Public Arbitrator



Constance Ellen Boukidis
Public Arbitrator

Signature Date

11/15/06

Signature Date

William S. Diver
Non-Public Arbitrator

Signature Date

11/20/06

Date of Service

ARBITRATION PANEL

Michael W. Delaney	-	Public Arbitrator, Presiding Chair
Constance Ellen Boukidis	-	Public Arbitrator
William S. Diver	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Michael W. Delaney
Chair, Public Arbitrator

Signature Date

Constance Ellen Boukidis
Public Arbitrator

Signature Date


William S. Diver
Non-Public Arbitrator

11/16/06
Signature Date

11/20/06
Date of Service