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REGISTRATION & DISCLOSURE

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
20041000048-01

TO: Market Regulation Department
NASD

RE: **Citigroup Global Markets, Inc.**, Respondent
CRD No. 7059

Pursuant to Rule 9216 of the NASD Code of Procedure, **Citigroup Global Markets, Inc.** (the "firm"), submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against the firm alleging violations based on the same factual findings.

The firm understands that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Market Regulation Department and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
3. If accepted:
 - a. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by the NASD or any other regulator against the firm;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about the firm's disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. the firm may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects the firm's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

20041000048/MRD200448129 (incl.:20050003211, 20050010260, 20050022394, 20050030717, 20050006127, 20060062729, 20060063166 and 20050014631) (CB/SM).

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The firm also understands that the firm's experience in the securities industry and the firm's disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

The firm has been a member of NASD since October 16, 1936 and its registration remains in effect. The firm has the following relevant disciplinary history:

- On January 17, 2007, an AWC became final in which the firm was censured and fined \$42,500 for violations of NASD Rules 2110, 2320, 3010, 6420(a), 6620, 6955 and SEC Rule 10b-10 with an undertaking to revise the firm's written supervisory procedures for trade reporting in Over-the-Counter ("OTC") and Consolidated Quotation System ("CQS") securities; and for compliance with SEC Rule 10a-1.
- On January 28, 2005, an AWC became final in which the firm was censured, ordered to pay restitution in the amount of \$1,706.01 and fined \$107,500 for violations of NASD Rules 2110, 2320, 3350, 3360, 4642(d) and 6130(d), and SEC Rule 11Ac1-4 (now SEC Rule 604).
- On September 15, 2003, an AWC became final in which the firm was censured and fined \$72,500 for violations of NASD Rules 2110, 2320, 3320, 3340, 4613(b), 6130(d) and 6620, and SEC Rules 11Ac1-1 (now SEC Rule 602) and 11Ac1-4 (now SEC Rule 604).

I.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the firm;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

The firm specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance, or rejection of this AWC.

The firm specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

From January 1, 2004 through July 31, 2006, the staff of NASD's Department of Market Regulation (the "staff") conducted numerous reviews and an examination of the firm of varying scope and duration as set forth in Appendix 1. This matter is a result of those reviews and examination.¹

- A. The firm hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:

Short Sales

20041000048/MRD20048129

1. During the review period, the firm effected 123 short sales in Biolase Technology Inc. common stock ("BLTI") for the firm's proprietary account(s) and failed to make/annotate an affirmative determination that the firm could borrow the security or otherwise provide for delivery of the security by settlement date. The conduct described in this paragraph constitutes separate and distinct violations of NASD Conduct Rule 3370.
2. During the review period, the firm accepted two customer short sale orders in Zix Corporation ("ZIXI") and, for each order, failed to make/annotate an affirmative determination that the firm would receive delivery of the security on behalf of the customer or that the firm could borrow the security on behalf of the customer for delivery by settlement date. The conduct

¹ This matter does not contain all of the outstanding reviews, investigations and examinations during the period from January 1, 2004 through July 31, 2006. The findings in these outstanding reviews, investigations and examinations may be dealt with through other formal disciplinary action.

described in this paragraph constitutes separate and distinct violations of NASD Conduct Rule 3370.

Limit Order Display

20050003211

3. On 96 occasions during the review period, the firm failed to display immediately 96 customer limit orders in Nasdaq securities in its public quotation, when each such order was at a price that would have improved the firm's bid or offer in each such security; or when the order was priced equal to the firm's bid or offer and the national best bid or offer for each such security, and the size of the order represented more than a *de minimis* change in relation to the size associated with the firm's bid or offer in each such security. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 604 of Regulation NMS.

Limit Order Protection

20050010260

4. On 64 occasions during the review period, the firm failed to contemporaneously or partially execute 64 customer limit orders in 50 Nasdaq securities after it traded each subject security for its own market-making account at a price that would have satisfied each customer's limit order, as reflected on Exhibit A, which is attached hereto and incorporated herein by reference. The conduct described in this paragraph constitutes separate and distinct violations of NASD Conduct Rule 2110 and IM-2110-2.

Trade-Through Halt

20050022394

5. During the review period, The Nasdaq Stock Market initiated a trading halt for the Nasdaq National Market ("NNM") issues listed in Exhibit B, pending the dissemination of news concerning each security's issuer. Trading did not resume until the times noted in Exhibit B. While the trading halt was in effect, the firm effected 18 transactions, as listed in Exhibit B. The conduct described in this paragraph constitutes separate and distinct violations of NASD Conduct Rules 2110 and 3340.

Pink Sheet Quotations

20050030717

6. On October 18, 2005, the firm published 12 quotations for RFXCQ, a Non-Exchange-Listed Security, directly submitted such quotations for publication, in a quotation medium, that is, the Pink Sheets and: (i) did not have in its records the documentation required by SEC Rule 15c2-11(a) ("Paragraph (a) information"); (ii) did not have a reasonable basis under the circumstances for believing that the Paragraph (a) information was accurate in all material respects; and (iii) did not have a reasonable basis under the circumstances for believing that the sources of the Paragraph (a) information were reliable. The quotations did not represent a customer's indication of unsolicited interest. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 15c2-11 and NASD Conduct Rule 2110.
7. For each quotation described in paragraph 18, the firm failed to file a Form 211 with NASD at least three business days before the firm's quotations were published or displayed in a quotation medium. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6640 and NASD Conduct Rule 2110.

OATS

20050006127

8. During the review period, the firm submitted to the Order Audit Trail System ("OATS") 12,066 Route or Combined Order/Route Reports that the OATS system was unable to link to the corresponding new order submitted by the destination member firm due to inaccurate, incomplete or improperly formatted data. These 12,066 Route or Combined Order/Route Reports represented approximately 12 percent of all match-eligible Route or Combined Order/Route Reports (98,337) submitted to OATS by the firm during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Rule 6955(a).
9. During the review period, the firm submitted to OATS 5,533 Reportable Order Events ("ROEs") that were rejected by OATS for context or syntax errors. These rejected ROEs represented less than one percent of all ROEs (5,654,667) transmitted by the firm to OATS during the review period. The firm did not repair 714 of the rejected ROEs, representing approximately 13 percent of all rejected ROEs. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

10. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the Rules of NASD, concerning compliance with OATS. Specifically, the firm's supervisory system did not include written supervisory procedures providing for reviews for compliance with NASD Rule 6955(a) that included: (1) the identification of the person(s) responsible for supervision with respect to the applicable rules; (2) a statement of the supervisory step(s) to be taken by the identified person(s); (3) a statement as to how often such person(s) should take such step(s); and (4) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of NASD Conduct Rules 2110 and 3010.

20060062729

11. During the review period, the firm failed to timely report to OATS 213,956 Reportable Order Events ("ROE"). These late ROEs represented approximately two percent of all ROEs (9,975,481) submitted by the firm to OATS during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

20060063166

12. During the review period, the firm failed to timely report to OATS 756,027 ROEs. These late ROEs represented approximately 22 percent of all ROEs (3,380,486) submitted by the firm to OATS during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

Trading and Market Making Surveillance ("TMMS") Examination

20050014631

13. The firm failed to report the correct time of execution to the ACT (now the NMC) in 24 last sale reports of transactions in designated securities. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6130(d)(4).
14. The firm failed to report to SuperMontage the correct symbol indicating whether the transaction was a short sale exempt or short sale for 14 transactions in Reportable Securities. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6130(d)(6).

15. During the review period, the firm failed to properly mark 11 proprietary sell orders with a "short exempt" indicator on its trading records. These 11 orders represented 16 percent of the sample of 67 orders reviewed in the TMMS examination. The conduct described in this paragraph constitutes separate and distinct violations of SEC Rule 200(g) of Regulation SHO.
16. The firm's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the Rules of NASD, concerning: best execution, the reporting of sale transactions and OATS. Specifically, the firm's supervisory system did not include written supervisory procedures providing for reviews for compliance with these rules that included one or more of the following: (1) the identification of the person(s) responsible for supervision with respect to the applicable rules; (2) a statement of the supervisory step(s) to be taken by the identified person(s); (3) a statement as to how often such person(s) should take such step(s); and (4) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented. The conduct described in this paragraph constitutes a violation of NASD Conduct Rules 2110 and 3010.

B. The firm also consents to the imposition, at a maximum, of the following sanctions:

A censure, a fine of \$87,000 (consisting of a \$10,000 fine for the limit order protection violations, \$5,000 for the NASD Rule 3370 violations, \$10,000 for violating the prohibitions against trading during a halt, \$15,000 for trade reporting violations, \$15,000 for the OATS violations, \$12,000 for the SEC Rule 11Ac1-4 (now SEC Rule 604) violations, \$5,000 for the SEC Rule 15c2-11 & NASD Rule 6740 violations, \$5,000 for the SEC Rule 200(g) under Regulation SHO violations, \$10,000 for the supervisory violations and an undertaking to revise the firm's written supervisory procedures with respect to the areas described in paragraphs 10 and 16. Within 30 business days of acceptance of this AWC by the NAC, a registered principal of the Respondent shall submit to the **COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850**, a signed, dated letter, providing the following information: (1) a reference to this matter; (2) a representation that the firm has revised its written supervisory procedures to address the deficiencies described in paragraphs 10 and 16; and (3) the date the revised procedures were implemented.

The sanctions imposed herein shall be effective on a date set by NASD staff.

III.

OTHER MATTERS

- A. The firm understands that it may attach a Corrective Action Statement to this AWC which is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD nor does it reflect the views of NASD or its staff.
- B. The firm agrees to pay any monetary sanctions imposed on it upon notice that this AWC has been accepted and that such payments are due and payable, and has attached the Election of Payment form showing the method by which the firm proposes to pay any fine imposed.
- C. The firm specifically and voluntarily waives any right to claim that the firm is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Citigroup Global Markets, Inc. certifies that the firm has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce the firm to submit it.

5/11/07
Date

Citigroup Global Markets, Inc.
Respondent

By: Matthew Newton

Name: Matthew Newton

Title: Managing Director

Reviewed by:

James Taylor
Counsel for Respondent

Accepted by NASD

6/11/07
Date

Thomas R. Gira
Thomas R. Gira
Executive Vice President
Market Regulation Department

Signed on behalf of the Director of
ODA, by delegated authority

Attachments:

Election of Payment Form
Appendix 1 Description of Reviews
Exhibit A Limit Order Protection
Exhibit B Trade-Through Halt

Appendix 1

Citigroup Global Markets Inc.

In connection with the following reviews and examination, the staff reviewed the firm's compliance with:

20041000048/MRD20048129, NASD's Short Sale Rules for the period of January 1, 2004 through April 30, 2004.

20050003211, NASD's Limit Order Display Rules for the period of April 1, 2004 through September 30, 2004.

20050010260, NASD's Limit Order Protection Rules (NASD Rule 2110 and Interpretive Memorandum ("IM") 2110-2) for the period of October 1, 2004 through December 31, 2004.

20050022394, NASD Rule 3340, for the period of January 1, 2005 through June 30, 2005.

20050030717, SEC Rule 15c2-11 and NASD Rule 6740 and 2110, for the period of April 1, 2005 through June 30, 2005.

20050006127, NASD's OATS Rules for the period of October 1, 2004 through December 31, 2004.

20060062729, NASD's OATS Rules, for the period of January 1, 2006 through March 31, 2006.

20060063166, NASD's OATS Rules, for the period of July 1, 2006 through July 31, 2006.

20050014631, the 2004 Trading and Market Making Examination ("TMMS") of the firm, the staff reviewed the following for trade date April 27, 2005:

- 67 customer and proprietary sale transactions for compliance with Regulation SHO Rules 200(g) and/or 203(b);
- 99 customer and proprietary sale transactions for compliance with NASD Rule 6130 (Automated Confirmation Transaction Service ("ACT"), now Nasdaq Market Center ("NMC"), Short Sale Reporting,);
- 50 limit orders executed as principal, for compliance with NASD Rules 2110, Interpretive Memo ("IM") 2110-2, 6440, 6541 and 2320 and SEC Rules 11Ac1-1 (now SEC Rule 602) 11Ac1-4 (now SEC Rule 604);
- 7 "non-displayed" limit orders for compliance with NASD Conduct Rule 2320;
- 23 limit and market orders executed in a principal or riskless principal capacity for compliance with capacity reporting under NASD Trade Reporting and ACT Rules, now NMC Rules;

Appendix 1

- 25 orders for NASDAQ securities in soft dollar accounts and 50 related executions for compliance with trade reporting rules and the safe harbor limitations of SEC Section 28(e) of the Securities Exchange Act;
- 10 open buy limit orders and stop sell limit orders in securities traded ex-dividend for compliance with NASD Rule 3220;
- Trades reported and modified through a mixed capacity regulatory report for compliance with NASD Rule 6130;
- 25 orders in securities for which the firm was a market maker center for compliance with the order size/type classification requirements of SEC Rule 11Ac1-5 (now SEC Rule 605);
- 31 orders for security/size/order data statistics published on the firm's monthly order execution report for compliance with SEC Rule 11Ac1-5 (now SEC Rule 605) for March 2005;
- 25 customer orders in Over-the-Counter Bulletin Board ("OTCBB") and/or Over-the-Counter ("OTC") Equity securities for compliance with NASD Conduct Rules 3110(b) and 2320;
- 50 cancelled transactions in compliance with NASD Rules 4632(g), 4642(g), 4652(g), 6420(f), 6620(f), and SEC Rule 17a-3(a)(96) and (a)(7);
- 23 persons engaged in the firm's trading and market making activities for compliance with NASD Registration Rules;
- 284 order/trade records prepared and maintained in connection with the above samples for general compliance with NASD Rule 3110 and SEC Rules 17a-3 and 17a-4;
- 494 trades reported to ACT or Trade Reporting and Comparison Service ("TRACS") in connection with the above samples for NASD Trade Reporting and ACT Rules;
- 98 customer trade confirmations reviewed in connection with the above samples for compliance with SEC Rule 10b-10;
- 50 orders in Nasdaq National Market ("NNM") or Small Cap ("SC") securities submitted to OATS for compliance with NASD Rule 6955
- The firm's establishment and implementation of "regular & rigorous" reviews of the execution quality of orders sent to other market centers or internalized for execution for compliance with NASD Conduct Rules 2320 and 3010;
- The firm's establishment and implementation of a supervisory system and written supervisory procedures for compliance with NASD Conduct Rule 3010.

SBSH Trigger Transaction Information													SBSH Customer Limit Order Information									
Exhibit Item	Break ID	Execution Date	Assumed Execution Time	Report Time	Reporting Execution MPID	Reporting Capacity	Reporting Side Buy/Sell	Contra Execution MPID	Contra Capacity	Issue	Price	Volume	Customer Order Number	Order Received Date	Order Received Time	MPID	Order ID	Customer Order to Buy/Sell	Customer Limit Price	Order Quantity	OATS Reportable Order Event ID	Special Handling Code
1	41995358	04-Oct-04	10:21:54	10:21:54	SBSH	P	B	GVRC	P	SANM	7.8	1000	1	04-Oct-04	10:21:07 AM	SBSH	824	B	7.8	1000	69177582326	
2	41995445	04-Oct-04	10:35:27	10:35:27	SBSH	P	B	GSCO	P	SBUX	47.12	800	2	04-Oct-04	10:34:02 AM	SBSH	13944	B	47.12	1000	69177600569	
3	41995907	04-Oct-04	10:31:13	10:31:14	SBSH	P	B	MSCO	P	SEBL	9.5	1000	3	04-Oct-04	10:29:07 AM	SBSH	10915	B	9.5	1000	69177596000	
4	42119518	04-Oct-04	10:36:35	10:36:35	SBSH	P	S	BRUT	P	STEI	7.28	500	4	04-Oct-04	10:31:11 AM	SBSH	14023	SL	7.28	1000	69177600728	
5	41995414	07-Oct-04	11:30:22	11:30:23	SBSH	P	B	BONC	A	GRAM	5.4	500	6	07-Oct-04	11:28:20 AM	SBSH	14701	B	5.4	500	69547397230	
6	42137102	11-Oct-04	12:26:06	12:26:06	CRWN	P	S	SBSH	P	DRAM	6.5	500	8	11-Oct-04	12:26:00 PM	SBSH	12841	B	6.5	500	69778987085	
7	42139966	15-Oct-04	14:08:25	14:08:25	SBSH	P	B	ETPT	A	GMAI	11.15	1000	7	15-Oct-04	1:39:41 PM	SBSH	3978	B	11.15	1000	70262919019	
8	42144543	15-Oct-04	13:58:00	13:58:00	SBSH	P	B	CCLS	A	INTC	20.65	500	8	15-Oct-04	1:24:59 PM	SBSH	23675	B	20.65	500	70262945669	
9	42155011	18-Oct-04	12:19:50	12:19:50	SBSH	P	S	SHON	P	CHIR	32.3	500	9	18-Oct-04	12:15:44 PM	SBSH	24105	SL	32.3	1200	70378149704	
10	42155085	18-Oct-04	14:49:46	14:49:46	SBSH	P	S	SHON	P	CHKP	21	500	10	18-Oct-04	2:42:22 PM	SBSH	32681	SL	21	500	703781602197	
11	42158718	18-Oct-04	13:58:32	13:58:32	SBSH	P	B	BRUT	P	COCO	14.6	500	11	18-Oct-04	1:54:13 PM	SBSH	30008	B	14.6	2000	70378158589	
12	42193220	26-Oct-04	14:51:47	14:51:50	SBSH	P	S	MOKE	A	XMSR	32.61	1000	12	26-Oct-04	2:27:15 PM	SBSH	20437	SL	32.6	5000	71144114205	
13	42175761	28-Oct-04	11:18:38	11:18:38	SBSH	P	B	NITE	P	MSFT	28.05	1000	13	28-Oct-04	11:13:28 AM	SBSH	15168	B	28.05	5000	71426004626	
14	42332001	08-Nov-04	11:50:14	11:50:14	BRUT	A	B	SBSH	P	SONS	5.3	500	14	11-Oct-04	10:01:46 AM	SBSH	1400591	SL	5.3	1000	69778015608	
15	42299988	10-Nov-04	11:25:16	11:25:16	SBSH	P	S	ARRB	A	MANU	2.34	500	15	10-Nov-04	11:23:28 AM	SBSH	16227	SL	2.34	6000	72322893484	
16	42301431	10-Nov-04	13:14:59	13:14:59	SBSH	P	S	SONC	P	MKTX	19.5	500	16	10-Nov-04	11:17:39 AM	SBSH	14863	SL	19.5	500	72322896735	
17	42301431	10-Nov-04	13:14:59	13:14:59	SBSH	P	S	SONC	P	MKTX	19.5	500	17	10-Nov-04	1:12:03 PM	SBSH	22447	SL	19.45	500	72322904617	
18	42312130	10-Nov-04	9:52:03	9:52:03	SBSH	P	B	MLCO	P	SNDA	35.8	500	18	10-Nov-04	9:44:50 AM	SBSH	6284	B	35.8	500	72322881137	
19	42400523	16-Nov-04	12:48:27	12:48:27	BRUT	A	S	SBSH	P	IGLD	4.85	500	19	16-Nov-04	11:47:46 AM	SBSH	3402619	B	4.9	5000	72693939123	
20	42455352	18-Nov-04	12:04:45	12:04:45	SBSH	P	S	ARRB	A	SERO	22.77	517	20	18-Nov-04	11:06:53 AM	SBSH	17292	SL	22.77	3000	72855549106	
21	42459315	18-Nov-04	12:36:33	12:36:33	SBSH	P	B	ARRB	A	SIGM	7.5	1000	21	18-Nov-04	11:52:21 AM	SBSH	20229	B	7.5	5000	72859535504	
22	42463836	18-Nov-04	15:19:10	15:19:10	SBSH	P	B	NITE	P	SNMX	10	500	22	18-Nov-04	9:35:18 AM	SBSH	3873	B	10	2000	72855631924	
23	42460108	18-Nov-04	13:14:48	13:14:48	SBSH	P	S	NITE	P	SYNA	34.46	800	23	18-Nov-04	1:13:26 PM	SBSH	25643	SL	34.46	1000	72855661501	
24	42468187	18-Nov-04	13:17:26	13:17:26	HDLY	P	S	SBSH	P	VIVO	15.2	700	24	18-Nov-04	1:12:23 PM	SBSH	26442	B	15.2	480	72855662963	
25	42465549	19-Nov-04	14:34:41	14:34:41	SBSH	P	S	INCA	A	XMSR	35	900	25	19-Nov-04	2:33:44 PM	SBSH	33794	SL	35	1100	72996642818	
26	42475878	23-Nov-04	9:35:27	9:35:27	SBSH	P	B	MSCO	A	CSCO	19	860	26	23-Nov-04	8:15:35 AM	SBSH	1576	B	19.01	370	73191628063	
27	42475978	23-Nov-04	9:35:27	9:35:27	SBSH	P	B	MSCO	A	CSCO	19	860	27	23-Nov-04	9:10:46 AM	SBSH	2470	B	19	300	73191629571	
28	42475978	23-Nov-04	9:35:27	9:35:27	SBSH	P	B	MSCO	A	CSCO	19	860	28	23-Nov-04	9:10:02 AM	SBSH	3226	B	19	300	73191630533	
29	42475978	23-Nov-04	9:35:27	9:35:27	SBSH	P	B	MSCO	A	CSCO	19	860	29	22-Nov-04	1:44:15 PM	SBSH	28467	B	19	180	73093940743	
30	41743904	29-Nov-04	15:15:52	15:15:53	SBSH	P	B	INCA	A	FXEN	9.97	900	30	29-Nov-04	3:15:26 PM	SBSH	47185	B	9.97	1000	73440893452	
31	41743906	29-Nov-04	15:48:35	15:48:35	SBSH	P	B	GSCO	P	FXEN	9.92	1000	31	29-Nov-04	3:47:18 PM	SBSH	48985	B	9.92	1000	73440895439	
32	41745049	29-Nov-04	15:45:25	15:45:25	SBSH	P	S	NITE	P	GEPT	2.45	500	32	29-Nov-04	1:46:58 PM	SBSH	1454435	SL	2.45	1500	73546103895	
33	41746987	29-Nov-04	14:33:18	14:33:18	SBSH	P	S	CYBR	A	GOOG	180.89	600	33	29-Nov-04	1:59:55 PM	SBSH	27458	SL	180.89	650	73440310821	
34	41758794	30-Nov-04	13:55:19	13:55:20	SBSH	P	B	SCHB	P	VCLX	12.7	700	34	30-Nov-04	1:54:00 PM	SBSH	2409528	B	12.7	7500	73546095752	
35	41740713	02-Dec-04	12:29:01	12:29:01	SBSH	P	B	INCA	A	EUNK	11.15	900	35	02-Dec-04	12:28:27 PM	SBSH	26118	B	11.15	1000	73761372349	
36	41742511	02-Dec-04	11:44:46	11:44:46	BRUT	A	B	SBSH	P	ERTS	50	1000	36	19-Nov-04	7:02:47 AM	SBSH	2631	SL	50	1178	72996412826	
37	41755429	02-Dec-04	13:39:55	13:39:55	SBSH	P	B	GVRC	P	TGEN	1.34	1000	37	02-Dec-04	1:34:48 PM	SBSH	34490	B	1.34	1000	73762078455	
38	41756210	02-Dec-04	11:58:12	11:58:12	BRUT	A	S	SBSH	P	TLAB	8.43	653	38	02-Dec-04	11:58:06 AM	SBSH	27639	B	8.43	1000	73762068721	
39	42604888	08-Dec-04	10:17:46	10:17:47	SBSH	P	B	ARRB	A	JBLU	23.86	700	39	07-Dec-04	12:01:00 PM	SBSH	16971	B	23.86	3000	74065337301	
40	42593400	08-Dec-04	13:57:09	13:57:09	BRUT	A	B	SBSH	P	ROXI	8.79	900	40	08-Dec-04	1:45:24 PM	SBSH	1710375	SL	8.79	5000	74175473075	
41	42572264	09-Dec-04	15:29:10	15:29:10	GVRC	P	S	SBSH	P	MBAY	1.36	700	41	09-Dec-04	1:48:53 PM	SBSH	2408330	B	1.36	4000	74283827038	
42	42575531	10-Dec-04	11:18:35	11:18:39	SBSH	P	B	ETRS	A	ARTX	1.83	1000	42	10-Dec-04	10:09:27 AM	SBSH	11051	B	1.83	3000	74379938968	
43	42653839	13-Dec-04	9:35:51	9:35:51	SBSH	P	S	RBCM	P	ORCL	14.49	1000	43	06-Dec-04	11:51:46 AM	SBSH	20499	SL	14.48	2000	73954192611	
44	42688835	13-Dec-04	12:20:27	12:20:27	SBSH	P	S	AUTO	P	TUES	29.92	500	44	13-Dec-04	11:55:03 AM	SBSH	20957	SL	29.92	1000	74469180586	
45	42635551	14-Dec-04	11:19:32	11:19:32	BRUT	A	S	SBSH	P	AKAM	12	900	45	14-Dec-04	8:37:40 AM	SBSH	1400022	B	12	7000	74566593310	
46	42635551	14-Dec-04	11:19:32	11:19:32	BRUT	A	S	SBSH	P	AKAM	12	900	46	14-Dec-04	8:37:42 AM	SBSH	1400023	B	12	7000	74566593312	

SBSH Trigger Transaction Information													SBSH Customer Limit Order Information									
Exhibit Item	Break ID	Execution Date	Assumed Execution Time	Report Time	Reporting Execution MPID	Reporting Capacity	Reporting Side Buy/Sell	Contra Execution MPID	Contra Capacity	Issue	Price	Volume	Customer Order Number	Order Received Date	Order Received Time	MPID	Order ID	Customer Order to Buy/Sell	Customer Limit Price	Order Quantity	OATS Reportable Order Event ID	Special Handling Code
47	42638390	14-Dec-04	10:33:35	10:33:35	BRUT	A	B	SBSH	P	APPX	37.5	763	47	14-Dec-04	8:32:38 AM	SBSH	1704999	SL	37.5	5000	74566592295	
48	42677323	14-Dec-04	13:33:06	13:33:06	BRUT	A	S	SBSH	P	HSIC	69.8	713	48	14-Dec-04	1:28:42 PM	SBSH	1408172	B	69.8	5000	74566599330	
49	42634037	16-Dec-04	9:57:40	9:57:40	SBSH	P	B	TDCM	P	ADGX	6.5	1000	49	16-Dec-04	9:52:38 AM	SBSH	9660	B	6.5	9999	74767986491	
50	42635839	16-Dec-04	10:00:00	10:00:00	JPMS	P	S	SBSH	P	ALOY	6.59	1000	50	16-Dec-04	9:59:05 AM	SBSH	10566	B	6.59	1000	74767987485	
51	42638382	16-Dec-04	10:02:11	10:02:11	SBSH	P	S	INCA	A	APPX	38.49	500	51	16-Dec-04	9:46:08 AM	SBSH	9557	SL	38.49	2500	74767988260	
52	42640363	16-Dec-04	9:59:06	9:59:06	SBSH	P	S	INCA	A	ATRM	3.9	500	52	16-Dec-04	9:41:32 AM	SBSH	1402130	SL	3.9	3000	74768061404	
53	42682356	16-Dec-04	10:05:52	10:05:52	SBSH	P	B	INCA	A	DRRX	3.04	500	53	16-Dec-04	10:04:53 AM	SBSH	10677	B	3.04	2500	74767987720	
54	42683657	16-Dec-04	9:42:01	9:42:01	SBSH	P	B	SUSQ	A	ELNK	11.71	900	54	16-Dec-04	9:41:05 AM	SBSH	1597	B	11.71	1000	74767977805	
55	42683661	16-Dec-04	9:49:30	9:49:30	SBSH	P	B	SUSQ	A	ELNK	11.67	900	55	16-Dec-04	9:47:04 AM	SBSH	1810	B	11.67	1200	74767977826	
56	42683228	16-Dec-04	9:54:51	9:54:51	SBSH	P	S	ARRB	A	INTN	12.1	1000	56	13-Dec-04	9:41:10 AM	SBSH	10144	SL	12.1	5000	74469364283	
57	42683203	16-Dec-04	10:08:38	10:08:38	SBSH	P	S	NITE	P	INTN	12.3	500	57	13-Dec-04	9:41:55 AM	SBSH	2189	SL	12.3	5000	74469355905	
58	42701166	16-Dec-04	10:17:06	10:17:06	SBSH	P	B	BRUT	P	QTWW	6	800	58	16-Dec-04	10:16:05 AM	SBSH	10894	B	6	6000	74767988201	
59	42663543	16-Dec-04	9:59:23	9:59:23	SBSH	P	S	REDT	A	RITA	4.12	800	59	16-Dec-04	9:51:51 AM	SBSH	9651	SL	4.12	2000	74767986476	
60	42762562	17-Dec-04	10:22:02	10:22:02	SBSH	P	B	ARRB	A	RYAAY	40.95	562	60	17-Dec-04	9:13:36 AM	SBSH	4554	B	40.95	1000	74856569028	
61	42901968	29-Dec-04	15:25:28	15:25:28	BRUT	A	S	SBSH	P	DRIV	42.5	1000	61	29-Dec-04	3:15:24 PM	SBSH	2400987	B	42.5	5000	75494220420	
62	42899210	30-Dec-04	13:15:31	13:15:31	SBSH	P	S	ARRB	A	PMTY	5.93	500	62	30-Dec-04	12:58:00 PM	SBSH	26003	SL	5.93	4000	75573132287	
63	42899153	30-Dec-04	13:32:07	13:32:07	SBSH	P	S	SHON	P	PMTY	5.93	700	63	30-Dec-04	1:28:36 PM	SBSH	26227	SL	5.92	700	75573132727	
64	42899153	30-Dec-04	13:32:07	13:32:07	SBSH	P	S	SHON	P	PMTY	5.93	700	64	30-Dec-04	1:28:31 PM	SBSH	26328	SL	5.92	3000	75573135228	

Item #	Trade Date	MMID	MMID Capacity	Issue Symbol	MC	Trade Halt Time	Resume Quote Time	Reporting Time	Execution Time	Buy Sell Cross	Share Volume	Price	MOD	Order Entry ID	Order Entry Capacity	Order Entry Report Time	Order Entry Execution Time	ACT Status	Source	1112	As Of	Media Report
1	2/1/2005	SBSH	P	THQI	NNM	16:12:59	16:40:00	17:22:55	16:28:00	B	897	22.86	ST					T	C	1FA7	N	R
2	3/8/2005	SBSH	P	RETK	NNM	16:15:17	16:45:00	17:19:30	16:39:00	S	6325	8.59	ST					T	C	1FA7	N	R
3	3/10/2005	SBSH	P	JILL	NNM	16:01:04	16:25:00	17:47:51	16:23:00	B	804	13.85	ST					T	C	1FA7	N	R
4	3/10/2005	SBSH	P	TECD	NNM	16:01:43	16:25:00	17:49:24	16:24:00	S	998	40.03	ST					T	C	1FA7	N	R
5	4/4/2005	SBSH	P	MENT	NNM	16:19:29	16:50:00	17:53:14	16:21:00	S	323	13.65	ST					T	C	1FA7	N	R
6	4/4/2005	SBSH	P	RSAS	NNM	16:12:20	16:35:00	17:52:43	16:21:00	S	750	15.87	ST					T	C	1FA7	N	R
7	4/5/2005	SBSH	P	SEBL	NNM	16:40:18	17:15:00	17:57:27	17:16:00	S	561	9.16	ST					T	C	1FA7	N	R
8	4/14/2005	SBSH	P	RFMD	NNM	16:05:12	16:35:00	17:54:05	16:22:00	S	3337	4.96	ST					T	C	1FA7	N	R
9	4/27/2005	SBSH	P	ESST	NNM	16:01:48	17:05:00	17:39:25	16:27:00	B	598	4.02	ST					T	C	1FA7	N	R
10	5/10/2005	SBSH	P	GOSHA	NNM	16:40:09	17:05:00	17:00:33	17:00:29	S	5950	29.39	W					T	C	1FA7	N	R
11	6/7/2005	SBSH	P	KAMNA	NNM	16:23:44	17:20:00	17:26:01	17:19:00	S	611	15.50	ST					T	C	1FA7	N	R
12	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:40:21	9:40:21	B	1000	26.99						C	C	1FA7	N	R
13	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:40:52	9:40:51	B	1000	26.99						C	C	1FA7	N	R
14	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:41:23	9:41:21	B	500	26.99						C	C	1FA7	N	R
15	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:41:23	9:41:21	B	485	26.99						C	C	1FA7	N	R
16	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:41:53	9:41:51	B	100	26.99						C	C	1FA7	N	R
17	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:41:53	9:41:51	B	515	26.99						C	C	1FA7	N	R
18	6/15/2005	SBSH	P	CHIR	NNM	9:00:32	9:40:00	9:41:53	9:41:51	B	200	26.99						C	C	1FA7	N	R