

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Phillip San Sebastian, Claimant v. Salomon Smith Barney, Inc. (n/k/a Citigroup Global Markets, Inc.), Respondent

Case Number: 03-09212

Hearing Site: San Francisco, California

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Nature of the Dispute: Customer v. Member

**REPRESENTATION OF PARTIES**

For Claimant:

Steven E. Paganetti  
Wild, Carter & Tipton  
Fresno, California

For Respondent:

Peter R. Boutin, Esq.  
Keesal, Young & Logan  
San Francisco, California

**CASE INFORMATION**

Statement of Claim filed: December 30, 2003

Claimant's Uniform Submission Agreement signed: January 10, 2004

Statement of Answer filed by Respondent: May 20, 2004

Respondent's Uniform Submission Agreement signed: May 20, 2004

**CASE SUMMARY**

Claimant alleged breach of contract, conversion, negligence, fraud, negligent misrepresentation, constructive fraud, breach of fiduciary duty, and breach of the Implied Covenant of Good Faith and Fair Dealing. Claimant's allegations involved various unspecified securities.

Respondent denied the allegations of wrongdoing set forth in Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$350,000.00 in compensatory damages, treble damages, punitive or exemplary damages, interest and costs, including attorney's fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On June 2, 2004, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

During the hearing, Claimant withdrew his allegation of conversion.

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

- 1) Claimant's claims are denied in their entirety.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) 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	= \$ 500.00
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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 that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Salomon Smith Barney, Inc. (n/k/a Citigroup Global Markets, Inc.) 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>
<b>Total Member Fees</b>	<b>= \$ 8,550.00</b>

#### **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 or the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference:      October 6, 2004      1 session	
(4) Hearing sessions @ \$1,200.00/session	= \$4,800.00
Hearings:                      May 17, 2005      2 sessions	
May 18, 2005      2 sessions	

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<b>Total Forum Fees</b>	<b>= \$6,000.00</b>
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1. The Panel assessed the entire \$6,000.00 in forum fees to Claimant.

**Fee Summary**

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 6,000.00
Total Fees	= \$ 6,500.00
Less payments	= \$(1,700.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 4,800.00</b>

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

Member Fees	= \$ 8,550.00
Less payments	= \$(8,550.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

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**

Thomas J. LoSavio	-	Public Arbitrator, Presiding Chair
John T. Collentine	-	Public Arbitrator
Darcy Jill Jorgensen	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**



Thomas J. LoSavio  
Chair, Public Arbitrator

5-19-05

Signature Date

John T. Collentine  
Public Arbitrator

Signature Date

Darcy Jill Jorgensen  
Non-Public Arbitrator

Signature Date

5/19/05  
Date of Service


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Chair, Public Arbitrator

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Signature Date

  
\_\_\_\_\_  
John T. Collentine  
Public Arbitrator

5-16-05  
Signature Date

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Darcy Jill Jorgensen  
Non-Public Arbitrator

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Signature Date

5/19/05  
Date of Service

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Non-Public Arbitrator

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Signature Date

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