

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Citigroup Global Markets, Inc.,
f/k/a Salomon Smith Barney, Inc.

v.

04-04819
Denver, Colorado

Respondent

Walter Weyrauch

Nature of Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. ("**Claimant**") was represented by Jessica E. Price, Esq., of Brouse McDowell, Cleveland, Ohio.

Walter Weyrauch ("**Respondent**") did not appear.

CASE INFORMATION

The Statement of Claim was filed on or about July 8, 2004. The Submission Agreement of Claimant was signed on or about August 9, 2004.

No Statement of Answer or Uniform Submission Agreement was filed by Respondent Walter Weyrauch.

A Motion for Default Judgment was filed by Claimant on or about May 4, 2005.

CASE SUMMARY

Claimant asserted causes of action including the following: breach of employment contract and failure to repay a promissory note. The causes of action related to Respondent's alleged failure to honor and repay a promissory note dated August 7, 1996, hereinafter referred to as "the Note," which became due when he resigned on July 8, 1999.

RELIEF REQUESTED

Claimant requested an award of \$ 106,671.94, the principal balance due under the promissory note dated August 7, 1996, plus interest, costs, attorney's fees and any other relief the panel deemed just and proper.

OTHER ISSUES CONSIDERED & DECIDED

On or about May 4, 2005, Claimant opted to proceed against Walter Weyrauch under the Default procedures pursuant to Rule 10314(e) of the Code.

On or about June 25, 2005, the Chairperson ordered that Claimant provide a perfection of service by Claimant on Respondent. On or about August 1, 2005, Claimant submitted a Certificate of Service to the Chairperson for consideration.

The arbitrator determined that Walter Weyrauch was properly served notice of the Statement of Claim and notification of the Motion for Default by mail and/or overnight mail, and that Walter Weyrauch, is required to submit to arbitration pursuant to the Code and is bound by the determination of the arbitrator on all issues submitted.

AWARD

After considering the pleadings, the testimony at the pre-hearing conference, and the Motion for Default presented to the arbitrator, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Walter Weyrauch, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., the sum of One Hundred Six Thousand Six Hundred Seventy One Dollars and Ninety Four Cents (\$106,671.94) in damages;
2. Respondent, Walter Weyrauch, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., interest on the above-stated sum at the rate of 10% per annum from and including July 8, 1999, through and including July 8, 2000, pursuant to the terms of the Note;
3. Respondent, Walter Weyrauch, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., attorney's fees of One Thousand Dollars and No Cents (\$1,000.00) pursuant to the terms of the Note; and
4. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, are denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 1,000

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 person at the time of the events giving rise to the dispute. In this matter, the member firm is Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc.

Member surcharge = \$ 1,700
Pre-hearing process fee = \$ 750
Hearing process fee = \$ 2,750

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$ 1,125 = \$ 1,125

Pre-hearing conference: 03/18/2005 1 session

Default Proceedings 10314(e) = \$ 300

Total Forum Fees = \$ 1,425

The Arbitration Panel has assessed \$ 1,425 of the forum fees to Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc.

FEES SUMMARY

Claimant, Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., is liable for:

<u>Initial Filing Fee</u>	= \$ 1,000
<u>Forum Fees</u>	= \$ 1,425
<u>Member Fees</u>	= \$ 5,200
<u>Total Fees</u>	= \$ 7,625
<u>Less payments</u>	= \$ 7,325
<u>Balance Due NASD Dispute Resolution</u>	= \$ 300

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

ARBITRATOR

Richard W. Thiele – Non-Public Arbitrator, Presiding Chair

Arbitrator's Signature:

Richard W. Thiele
Non-Public Arbitrator, Presiding Chair

Signature Date

4/17/05
Date of Service (NASD use only)

FEE SUMMARY

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ARBITRATOR

Richard W. Thiele - Non-Public Arbitrator, Presiding Chair

Arbitrator's Signature

Richard W. Thiele

Richard W. Thiele

Non-Public Arbitrator, Presiding Chair

11/16/2005
Signature Date

11/17/05
Date of Service (NASD use only)