

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:
Citigroup Global Markets, Inc., formerly known as Salomon Smith Barney, Inc.,
Claimant v. David M. Homer, Respondent

Case Number: 04-05323

Hearing Site: San Francisco, California

Nature of the Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:	Glen R. Mozingo, Esq. The Mozingo Law Firm Newport Beach, California
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For Respondent:	David M. Homer In Propria Persona Los Gatos, California
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CASE INFORMATION

Statement of Claim filed: July 23, 2004

Claimant's Motion for Default Judgment filed: October 18, 2006

Claimant's Submission Regarding Motion for Default Judgment filed: December 12, 2006

Claimant Citigroup Global Markets, Inc.'s ("Citigroup") Uniform Submission Agreement filed: July 23, 2004

CASE SUMMARY

Claimant alleged that it filed the above-captioned dispute because of Respondent's refusal to repay Claimant monies borrowed by Respondent pursuant to the Promissory Note Forgivable Loan Agreement ("Note") signed by Respondent on December 28, 2000.

RELIEF REQUESTED

Claimant requested:

1. Damages for Homer's breach of the Note in the amount of \$81,150.00 plus 10% interest thereon beginning on November 16, 2001;
2. The cost of this proceeding including attorneys fees; and
3. Claimant's cost of suit incurred herein, and for such other or further relief that the Panel may deem just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

On August 4, 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.

By correspondence filed October 18, 2006 and December 12, 2006, Claimant opted to proceed against Respondent David M. Homer pursuant to Rule 10314(e) of the NASD Code of Arbitration Procedure ("the Code"), because Respondent failed to file a Statement of Answer. The Arbitrator determined that Respondent Homer was properly served in this matter, 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 and Claimant's Motion for Default Judgment, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent is liable to and shall pay Claimant the sum of \$81,150.00 in compensatory damages.
- 2) Respondent is liable to and shall pay Claimant interest on the aforementioned award amount of \$81,150.00, at the rate of 10% per annum from November 16, 2001, until payment of this Award is made in full.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) 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	= \$ 1,000.00
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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 Citigroup is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
<u>Pre-Hearing Process Fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$ 1,850.00

Forum Fees and Assessments

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

1 Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conference: January 10, 2005	1 session

Forum fee for decision on the papers	= \$ 300.00
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Total Forum Fees	= \$ 1,050.00
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1. The Panel assessed \$525.00 of the forum fees to Claimant.
2. The Panel assessed \$525.00 of the forum fees to Respondent.

Fee Summary

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

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 1,850.00
Forum Fees	= \$ 525.00
Total Fees	= \$ 3,375.00
Less payments	= \$(3,600.00)
Refund Due Claimant	= \$(225.00)

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

Forum Fees	= \$ 525.00
Less payments	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 525.00

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.

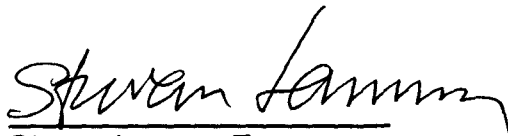
ARBITRATION PANEL

Steven Lanum, Esq.

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Non-Public Arbitrator, Presiding Chair

Presiding Arbitrator's Signature



Steven Lanum, Esq.
Chair, Non-Public Arbitrator

Jan. 3, 2007

Signature Date

Jan 9, 2007
Date of Service