

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Citigroup Global Markets Inc. f/k/a Salomon Smith Barney Inc., Claimant v. Stephen B. Cuomo, Respondent

Case Number: 05-00608

Hearing Site: Las Vegas, Nevada

Nature of the Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Steven T. Masada, Esq.
Hillis Clark Martin &
Peterson
Seattle, Washington

For Respondent:

Stefanie H. Clement, Esq.
Las Vegas, Nevada

CASE INFORMATION

Statement of Claim filed: February 2, 2005

Claimant Citigroup Global Markets Inc.'s (f/k/a Salomon Smith Barney Inc. and hereinafter Citigroup Global Markets Inc.) Uniform Submission Agreement signed: January 19, 2005

Statement of Answer filed by Respondent Stephen B. Cuomo: March 31, 2005

CASE SUMMARY

Claimant alleged breach of contract. Claimant's allegations involved breach of a promissory note/forgivable loan agreement and breach of a back-end promissory note.

Respondents denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$18,941.01 in compensatory damages, pre-judgment interest at a rate of 10% and post-judgment interest at the highest legal rate, and costs, including attorney's fees.

Respondent requested dismissal of Claimant's Statement of Claim in its entirety and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Stephen B. Cuomo did not file with NASD Dispute Resolution a properly executed submission agreement, but he is required to submit to arbitration pursuant to NASD's Code of Arbitration Procedure, and, having answered the claim, appeared and testified at the hearing, he is bound by the determination of the Arbitrator on all issues submitted.

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) Respondent Stephen B. Cuomo is liable to and shall pay Claimant Citigroup Global Markets Inc. the sum of \$18,941.01 in compensatory damages.
- 2) The Award shall bear interest at the rate of 10% per annum on any balance that remains unpaid thirty (30) days after receipt hereof, unless a motion to vacate has been filed with a court of competent jurisdiction. If this award is the subject of a motion to vacate that is subsequently denied, this award shall bear interest at the rate of 10% per annum on any balance that remains unpaid from the date of the court's order denying said motion to vacate.
- 3) The parties shall bear their respective 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	= \$ 750.00
--------------------------	-------------

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 Global Markets Inc. is a party, and the following fees are assessed:

<u>Member Surcharge</u>	= \$ 425.00
Total Member Fees	= \$ 425.00

Forum Fees and Assessments

The Arbitrator 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 Arbitrator. The following fees are assessed:

One (1) pre-hearing conference session with a single arbitrator @ \$450.00/session = \$ 450.00
Pre-hearing conference: June 2, 2005 1 session

Two (2) hearing sessions @ \$450.00/session = \$ 900.00

Hearings: August 15, 2005 2 sessions
Total Forum Fees = **\$1,350.00**

1. The Arbitrator assessed \$675.00 of the forum fees to Claimant Citigroup Global Markets Inc.
2. The Arbitrator assessed \$675.00 of the forum fees to Respondent Stephen B. Cuomo.

Fee Summary

1. Claimant Citigroup Global Markets Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 750.00
Member Fees	= \$ 425.00
<u>Forum Fees</u>	<u>= \$ 675.00</u>
Total Fees	= \$ 1,850.00
<u>Less payments</u>	<u>= \$(1,625.00)</u>
Balance Due NASD Dispute Resolution	= \$ 225.00

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

Forum Fees	= \$ 675.00
<u>Less payments</u>	<u>= \$ (0.00)</u>
Balance Due NASD Dispute Resolution	= \$ 675.00

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.

NASD Dispute Resolution
Arbitration No. 05-00608
Award Page 4 of 4

ARBITRATOR

Lincoln F. Stock

Non-Public Arbitrator



Lincoln F. Stock
Non-Public Arbitrator



Signature Date

8/18/05

Date of Service