

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Citigroup Global Markets Inc. (f/k/a Salomon Smith Barney Inc.), Claimant v. Jason K. Pearce,
Respondent

Case Number: 05-01020

Hearing Site: San Francisco, California

Nature of the Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Joseph A.G. Sakay, Esq.
Hillis Clark Martin &
Peterson, P.S.
Seattle, Washington

For Respondent:

In Propria Persona
Martinez, California

CASE INFORMATION

Statement of Claim received: February 28, 2005

Claimant's Uniform Submission Agreement signed: February 24, 2005

CASE SUMMARY

Claimant alleged that Respondent failed to pay a promissory note due and owing to Claimant.

Respondent did not submit an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant requested \$45,520.00 in compensatory damages, pre-judgment interest at the rate of 10%, post-judgment interest at the highest legal rate, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On March 10, 2005, Claimant's counsel signed a Waiver Agreement on Claimant's behalf 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 this Claim, relating exclusively to a promissory note, has been filed.

On August 25, 2005, Claimant filed a Motion for Summary Disposition and Entry of Award. Respondent did not submit a response by the September 9, 2005 due date established by the Panel. On September 20, 2005, the panel deliberated and granted the motion.

The Panel determined that Respondent was properly served notice of the Statement of Claim, Notification of the Arbitrators, and the Initial Pre-Hearing Conference Scheduling Order by certified mail, and that Respondent is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure ("Code") and is bound by the determination of the Arbitrators on all issues submitted.

AWARD

The Panel has decided and determined 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 \$45,520.00 in compensatory damages.
2. Respondent is liable to and shall pay Claimant pre-judgment interest at the rate of 10% per annum from October 31, 2004 until the date this Award is served.
3. Respondent is liable to and shall pay Claimant post-judgment interest at the rate of 10% per annum until the compensatory damages are paid in full to Claimant.
4. Respondent is liable to and shall pay Claimant the sum of \$6,828.00 in attorney's fees and collection costs pursuant to the promissory note at issue.
5. 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 Global Markets, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 1,000.00
Total Member Fees	= \$ 2,625.00

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

(1) Pre-hearing conference session with the Panel @ \$600.00/session	= \$ 600.00
Pre-hearing conference: July 19, 2005 1 session	

Total Forum Fees	= \$ 600.00
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The Panel assessed \$600.00 of the forum fees to Claimant.

Fee Summary

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

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,625.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 4,225.00
<u>Less payments</u>	= \$(3,225.00)
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

Mary Curran	- Non-Public Arbitrator, Presiding Chair
Judith M. Rosenberg	- Non-Public Arbitrator
Nicholas J. Caputo	- Non-Public Arbitrator


Arbitrator's Signatures



Mary Curran
Chair, Non-Public Arbitrator

9/21/2005

Signature Date



Judith M. Rosenberg
Non-Public Arbitrator

9-21-2005

Signature Date

Nicholas J. Caputo
Non-Public Arbitrator

Signature Date

9/21/05

Date of Service

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.

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Judith M. Rosenberg	-	Non-Public Arbitrator
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Chair, Non-Public Arbitrator

Signature Date

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Nicholas J. Caputo
Non-Public Arbitrator

9/21/05
Signature Date

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Date of Service