

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 A. Dominick, Respondent

Jason A. Dominick, Counter-Claimant v. Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc., Counter-Respondent

Case Number: 05-01023

Hearing Site: San Diego, California

Nature of the Disputes:
Member v. Associated Person
Associated Person v. Member

REPRESENTATION OF PARTIES

For Claimant/Counter-Respondent
(hereinafter Claimant):

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

For Respondent/Counter-Claimant
(hereinafter Respondent):

Richard C. Raines, Esq.
Gagen, McCoy, McMahon &
Armstrong
Danville, California

CASE INFORMATION

Statement of Claim filed: February 28, 2004

Claimant's Uniform Submission Agreement signed: January 19, 2005

Statement of Answer and Counterclaim for Setoff filed by Respondent: April 20, 2005

Respondent's Uniform Submission Agreement signed: April 18, 2005

CASE SUMMARY

Claimant alleged breach of contractual obligations under a Promissory Note. No specific product or product type was discussed in Claimant's Statement of Claims.

In his answer, Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

In his Counterclaim for Setoff, Respondent alleged entitlement to a setoff with respect to Claimant's claims.

RELIEF REQUESTED

Claimant requested \$116,785.80 in compensatory damages, plus pre-judgment interest at 10%, post-judgment interest at the highest legal rate, and costs, including attorney's fees.

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

In his Counterclaim for Setoff, Respondent requested setoff in the total amount of \$137,223.71.

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.

On April 22, 2005, Respondent and Respondent'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.

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 Jason A. Dominicak is liable to and shall pay Claimant Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. the sum of \$106,437.71 in compensatory damages, plus interest at the rate of 10% per annum from the date of the award until paid.

- 2) All claims by Respondent Jason A. Dominick are denied.
- 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 NASD *Code of Arbitration Procedure* (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
Counterclaim filing fee	= \$ 300.00

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., f/k/a Salomon Smith Barney, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

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

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: June 17, 2005 1 session	
Three (3) Hearing sessions @ \$1,125.00/session	= \$ 3,375.00
Hearings: August 22, 2005 2 sessions	
August 23, 2005 1 session	
Total Forum Fees	= \$ 4,500.00

The Panel assessed \$4,500.00 of the forum fees to Respondent Jason A. Dominick.

Fee Summary

1. Claimant Citigroup Global Markets, Inc., f/k/a Salomon Smith Barney, Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
<u>Member Fees</u>	= \$ 5,200.00
Total Fees	= \$ 6,200.00
<u>Less payments</u>	= \$ (7,325.00)
Refund Due Claimant	= \$ (1,125.00)

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


Type Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$ 4,500.00
Total Fees	= \$ 4,800.00
<u>Less payments</u>	= \$ (1,425.00)
Balance Due NASD Dispute Resolution	= \$ 3,375.00

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

Jerome M. Libenson	-	Public Arbitrator, Presiding Chair
William L. Merkin	-	Public Arbitrator
Robert A. Lakosil	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jerome M. Libenson
Chair, Public Arbitrator

8-24-05
Signature Date

William L. Merkin
Public Arbitrator

Signature Date

Robert A. Lakosil
Non-Public Arbitrator

Signature Date

August 25, 2005
Date of Service

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William L. Merkin	-	Public Arbitrator
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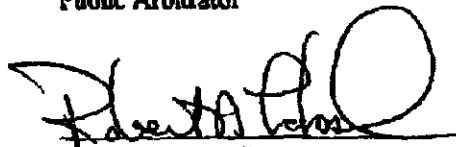
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