

**AWARD  
NASD Dispute Resolution**

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In the Matter of the Arbitration Between

Name of Claimant

Citigroup Global Markets, Inc.

and

Case Number: 05-03408  
Hearing Site: Houston, Texas

Name of Respondent

Richard Brett Guillory

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**NATURE OF DISPUTE**

Member Firm v. Associated Person

**REPRESENTATION OF PARTIES**

Citigroup Global Markets, Inc. ("**Claimant**" or "**Citigroup**") was represented by Carolyn Roch, Esq., Schirmeister, Diaz-Arrastria, Brem, LLP, Houston, Texas.

Richard Brett Guillory ("**Respondent**" or "**Guillory**") appeared pro se.

**CASE INFORMATION**

The Statement of Claim was filed on or about July 5, 2005. The Submission Agreement of Claimant, Citigroup Global Markets, Inc., was signed on or about May 20, 2005. The First Amended Statement of Claim was filed on or about August 16, 2005.

The Statement of Answer was filed by Respondent, Richard Brett Guillory, on or about November 18, 2005. The Submission Agreement of Respondent, Richard Brett Guillory, was signed on or about November 14, 2005.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of contract, breach of promissory note and indemnification. The causes of action related to failure to repay a promissory note. On or about February 2002, Citigroup hired Guillory as a Financial Consultant in the Orange, Texas branch office. Upon his employment with Claimant, Guillory executed a Promissory Note/Forgivable Loan Agreement (the "Promissory Note"). The Promissory Note provides that if Guillory's employment should terminate, whether voluntarily or involuntarily, no part of the unpaid Principal Amount shall be forgiven. Guillory resigned on

February 13, 2005 and according to the Claimant, the amount of the principal outstanding on the Promissory Note on the date of Guillory's voluntary resignation was \$56,576.80. The Promissory Note further provided that should Guillory default in the timely payment of any portion of the principal amount, Guillory is obligated to pay interest on any such outstanding amount. Also, the Promissory Note provides that should Claimant be required to enforce any and all provisions, Guillory is obligated to pay any and all costs and expenses, including, without limitation, reasonable attorneys' fees and disbursements incurred by Claimant.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$56,576.80
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent requested that the claims asserted against him be denied in their entirety and that he be awarded his costs.

### **OTHER ISSUES CONSIDERED & DECIDED**

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

### **AWARD**

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, Richard Brett Guillory, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., the sum of \$56,577.00 in compensatory damages due under the Promissory Note;
- 2.) Respondent, Richard Brett Guillory, is liable for and shall pay to Claimant,

Citigroup Global Markets, Inc., the sum of \$11,000.00 in attorneys' fees pursuant to the terms of the Promissory Note;

- 3.) Respondent, Richard Brett Guillory, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., interest in the sum of \$7,100.00, which is calculated at the rate of 10% per annum from and including the date of resignation through and including May 9, 2006, pursuant to the terms of the Promissory Note;
- 4.) Respondent, Richard Brett Guillory, is liable for and shall pay to Claimant, Citigroup Global Markets, Inc., the sum of \$3,500.00 in costs pursuant to the terms of the Promissory Note; and
- 5.) Any relief not specifically enumerated, including punitive damages and, is hereby 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 = \$ 1,000.00

#### **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.

Member surcharge = \$ 1,100.00  
Pre-hearing process fee = \$ 750.00  
Hearing process fee = \$ 1,700.00

#### **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 \$750.00 = \$ 750.00  
Pre-hearing conference: January 24, 2006 1 session

One (1) Hearing sessions x \$750.00	= \$ 750.00
Hearing Date: May 9, 2006 1 session	
Total Forum Fees	= \$ 1,500.00

The Arbitration Panel has assessed \$750.00 of the forum fees to Citigroup Global Markets, Inc.

The Arbitration Panel has assessed \$750.00 of the forum fees to Richard Brett Guillory.

**Fee Summary**

Claimant, Citigroup Global Markets, Inc., is liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,550.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 5,300.00
Less payments	= \$ 6,050.00
Refund Due to Claimant	= \$ 750.00

Respondent, Richard Brett Guillory, is liable for:

Forum Fees	= \$ 750.00
Total Fees	= \$ 750.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 750.00

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

**ARBITRATION PANEL**

Charles E. Martin, CPA - Non-Public Arbitrator, Presiding Chair  
Timothy W. Kelley - Non-Public Arbitrator  
Jane E. Bates - Non-Public Arbitrator

**Concurring Arbitrators:**

/s/ Charles E. Martin, CPA  
Charles E. Martin, CPA  
Non-Public Arbitrator, Presiding Chair

May 10, 2006  
Signature Date

/s/ Timothy W. Kelley  
Timothy W. Kelley  
Non-Public Arbitrator

May 10, 2006  
Signature Date

/s/ Jane E. Bates  
Jane E. Bates  
Non-Public Arbitrator

May 10, 2006  
Signature Date

May 10, 2006  
Date of Service (For NASD office use only)

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Timothy W. Kelley - Non-Public Arbitrator  
Jane E. Bates - Non-Public Arbitrator

Concurring Arbitrators:

Charles E. Martin  
Charles E. Martin, CPA  
Non-Public Arbitrator, Presiding Chair

5-10-06  
Signature Date

Timothy W. Kelley  
Timothy W. Kelley  
Non-Public Arbitrator

Signature Date

Jane E. Bates  
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