

**AWARD  
NASD DISPUTE RESOLUTION**

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**In the Matter of the Arbitration Between:**

Citigroup Global Markets, Inc., Claimant vs. Richard H. Thompson, Respondent

Case Number: 05-05133

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**SITUS:** Dallas, Texas

**NATURE OF DISPUTE:** Member v. Associated Person

**REPRESENTATION OF PARTIES:** Citigroup Global Markets, Inc., hereinafter referred to as "Claimant": Joyce M. Mocek, Esq., of the firm of Kutak Rock LLP, located in Atlanta, Georgia.

Respondent did not enter an appearance in this matter.

**DATE FILED:** October 3, 2005.

**CASE SUMMARY:** Claimant alleged that Respondent Thompson failed to pay the sums due on a promissory note signed by Respondent as part of his employment with Claimant. Pursuant to the Note, Thompson obtained an "up-front" loan of \$1,408,160.00 upon becoming an employee of Claimant on or about February 22, 2002. This loan was forgivable on an annual basis in seven equal installments. Thompson's employment ended on August 4, 2005, leaving a balance due on the Note of \$804,662.84. Claimant has demanded payment, but Thompson has refused to pay any amount of the Note.

**CLAIM DATA:**

Claim: \$804, 662.84  
Punitive: None  
Attorney's Fees: Unspecified amount

**AWARD DATA:**

Award: \$804,662.86  
Punitive: None  
Attorney's Fees: \$120,699.00

**OTHER ISSUES:** By letter dated April 12, 2006, Claimant opted to proceed against Respondent Richard H. Thompson pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that Respondent was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent is required to submit to arbitration pursuant to the Code and is/are bound by the determination of the Arbitrator on all issues submitted.

**AWARD:** The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Richard H. Thompson is liable for and shall pay to the Claimant, Citigroup Global Markets, Inc., the sum of \$804,662.86 as compensatory damages, plus interest at the rate of 10% per annum accruing from August 4, 2005 until April 11, 2006;

2. In addition, Respondent Richard H. Thompson is liable for and shall pay to the Claimant, Citigroup Global Markets, Inc., the sum of \$120,699.00 as attorneys' fees. In deciding to award attorneys' fees, the arbitrators considered the language of the Note dated February 22, 2002 and determined that authority existed for an Award of attorneys' fees to the Claimant;
3. The parties shall each bear their additional costs of arbitration, including any additional attorneys' fees, except for those sums specified in this Award; and,
4. All other relief requests are denied.

**FEES:**

**Filing Fee**

The \$1,250.00 filing fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

**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. Accordingly, Citigroup Global Markets, Inc. is a party and the following member fees are assessed:

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 4,000.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed: None.

**Forum Fees**

One (1) Pre-Hearing Conference with full Panel x \$1,200.00	= \$ 1,200.00
<u>Default Decision</u>	<u>= \$ 300.00</u>
Total Forum Fees	= \$ 1,500.00

The arbitrator assessed all forum fees against the Claimant, Citigroup Global Markets, Inc.

**ARBITRATION PANEL:**

Peter J. Conlon, Jr.

Sole Non-Public Arbitrator

\_\_\_\_\_  
Peter J. Conlon, Jr.

\_\_\_\_\_  
Signature Date

(For NASD Use) Date of Service of Award: \_\_\_\_\_

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Arbitration No. 05-05133  
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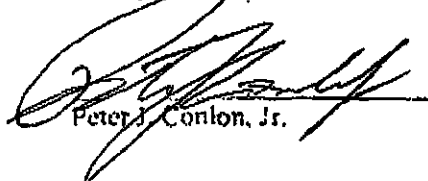
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Peter J. Conlon, Jr.

Sole Non-Public Arbitrator



Peter J. Conlon, Jr.

8 May 06  
Signature Date

(For NASD Use) Date of Service of Award:

5/8/06 Han