

**AWARD**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Names of Claimants

Citigroup Global Markets, Inc. and  
Citigroup Global Markets Holdings, Inc.

vs.

Case Number: 06-02634  
Hearing Site: Houston, Texas

Name of Respondent

James D. Barmore

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**NATURE OF THE DISPUTE**

Member and Non-Member vs. Associated Person

**REPRESENTATION OF PARTIES**

Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc. ("Claimants") were represented by Gregory R. Crochet, Esq., Kutak Rock, LLP, Atlanta, Georgia.

James D. Barmore ("Respondent" or "Barmore") appeared pro se.

**CASE INFORMATION**

The Statement of Claim was filed on or about May 30, 2006. The Submission Agreement of Claimant, Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc., was signed on or about April 20, 2006.

The Statement of Answer was filed by Respondent, James D. Barmore, on or about July 24, 2006. The Submission Agreement of Respondent, James D. Barmore, was signed on or about July 12, 2006.

**CASE SUMMARY**

Claimants asserted the following cause of action: failure to repay promissory note. Claimant alleged that Respondent defaulted on his promissory note. Barmore's employment with Smith Barney ended on or about December 13, 2005, and Claimants are seeking all amounts past due and owing under the terms of the promissory note (the "Note").

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

### **RELIEF REQUESTED**

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$ 147,853.14
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.

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

On or about September 20, 2006, Respondent Barmore sent in a letter stating that he is withdrawing his signed Uniform Submission Agreement and would not participate in the arbitration process. On or about October 6, 2006, Claimants responded to Barmore's letter stating that they wished to proceed with the arbitration hearing, agreed to waive the hearing requirement, and requested that this matter be resolved solely on the pleadings and documentary evidence as provided by NASD Rule 10303. The Panel determined that they would like to proceed with a telephonic final hearing in this matter. Respondent Barmore was notified via certified mail and overnight delivery of telephonic final hearing. He did not make an appearance at the final hearing.

Upon review of the file and the representations made by/on behalf of the Claimant and NASD, the undersigned Panel determined that Respondent Barmore received due notice of the telephonic final hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code"). In addition, Respondent Barmore is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

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.

### **AWARD**

After considering the pleadings, the testimony, the evidence presented at the telephonic final hearing, and the post-hearing submission, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, James D. Barmore, is liable for and shall pay to Claimants, Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc., the sum of \$147,853.14 in compensatory damages;
- 2.) Respondent, James D. Barmore, is liable for and shall pay to Claimants, Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc., interest on the above-stated sum at the rate of prime plus 6% per annum from and including December 15, 2005 through and including December 18, 2006;
- 3.) Respondent, James D. Barmore, is liable for and shall pay to Claimants, Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc., the sum of \$15,000.00 in attorneys' fees and legal expenses pursuant to the terms of the promissory note;
- 4.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 5.) Any relief not specifically enumerated 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
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#### **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	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

### **Forum Fees and Assessments**

The Panel has assessed forum fees for each hearing session conducted or each decision rendered on a discovery-related motion on the papers. A 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 \$1,125.00	= \$ 1,125.00
Pre-hearing conference: November 3, 2006 1 session	
One (1) Hearing session x \$1,125.00	= \$ 1,125.00
Hearing Date: December 5, 2006 1 session	
Total Forum Fees	= \$ 2,250.00

The Panel has assessed \$1,125.00 of the forum fees jointly and severally to Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc.

The Panel has assessed \$1,125.00 of the forum fees to James D. Barmore.

### **FEE SUMMARY**

Claimants, Citigroup Global Markets, Inc. and Citigroup Global Markets Holdings, Inc., are jointly and severally liable for:

Initial Filing Fee	= \$ 1,000.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 2,125.00
Less payments	= \$ 2,125.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, James D. Barmore, is liable for:

Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,125.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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

**ARBITRATION PANEL**

Jane E. Bates - Non-Public Arbitrator, Presiding Chair  
Thomas H. Griffin - Non-Public Arbitrator  
J. Michael Watson, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ Jane E. Bates  
Jane E. Bates  
Non-Public Arbitrator, Presiding Chair

December 20, 2006  
Signature Date

/s/ Thomas H. Griffin  
Thomas H. Griffin  
Non-Public Arbitrator

December 20, 2006  
Signature Date

/s/ J. Michael Watson, Esq.  
J. Michael Watson, Esq.  
Non-Public Arbitrator

December 19, 2006  
Signature Date

December 20, 2006  
Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Jane E. Bates - Non-Public Arbitrator, Presiding Chair  
Thomas H. Griffin - Non-Public Arbitrator  
J. Michael Watson, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

  
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Jane E. Bates  
Non-Public Arbitrator, Presiding Chair

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

\_\_\_\_\_  
Thomas H. Griffin  
Non-Public Arbitrator

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

\_\_\_\_\_  
J. Michael Watson, Esq.  
Non-Public Arbitrator

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

\_\_\_\_\_  
Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Jane E. Bates - Non-Public Arbitrator, Presiding Chair

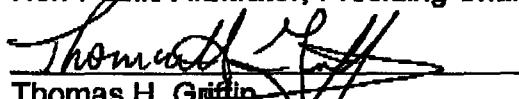
Thomas H. Griffin - Non-Public Arbitrator

J. Michael Watson, Esq. - Non-Public Arbitrator

**Concurring Arbitrators' Signatures:**

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Jane E. Bates  
Non-Public Arbitrator, Presiding Chair

  
Thomas H. Griffin  
Non-Public Arbitrator

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Signature Date

12-20-2006  
Signature Date

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J. Michael Watson, Esq.  
Non-Public Arbitrator

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Signature Date

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Date of Service (For NASD office use only)

**ARBITRATION PANEL**

Jane E. Bates - Non-Public Arbitrator, Presiding Chair  
Thomas H. Griffin - Non-Public Arbitrator  
J. Michael Watson, Esq. - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

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Jane E. Bates  
Non-Public Arbitrator, Presiding Chair

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Signature Date

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Thomas H. Griffin  
Non-Public Arbitrator

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Signature Date

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① Michael Watson, Esq.  
Non-Public Arbitrator

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12/19/06  
Signature Date

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Date of Service (For NASD office use only)