
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Legg Mason Wood Walker, Incorporated

Case Number: 02-07526
(Consolidated with 02-07798)

Names of the Respondents
Anthony Truman
John Schaedel

Hearing Site: Orlando, Florida

In the Matter of the Arbitration Between:

Name of the Claimant
Legg Mason Wood Walker, Incorporated

Case Number: 02-07798
(Consolidated with 02-07526)

Name of the Respondent
John Schaedel

Hearing Site: Orlando, Florida

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

For Legg Mason Wood Walker, Incorporated, hereinafter referred to as "Claimant": Jason W. Gaarder, Associate General Counsel with Claimant, Baltimore, Maryland.

For Anthony Truman ("Truman") and John Schaedel ("Schaedel"), hereinafter collectively referred to as "Respondents": C. Edward McGee, Jr., Esq., McGee & Huskey, P.A., Fort Lauderdale, Florida.

CASE INFORMATION

The following pleadings were filed in **Case Number 02-07526**:

Statement of Claim filed on or about: December 13, 2002.

Claimant signed Uniform Submission Agreements: December 12, 2002 and April 21, 2003.

Statement of Answer filed by Respondent Truman on or about: February 26, 2003.

Respondent Truman signed the Uniform Submission Agreement: April 21, 2003.

Respondent Schaedel signed the Uniform Submission Agreement: April 21, 2003.

The following pleadings were filed in **Case Number 02-07798**:

Statement of Claim filed on or about: December 26, 2002.

Claimant signed the Uniform Submission Agreement: December 12, 2002.

Statement of Answer filed by Respondent Schaedel on or about: February 26, 2003.

Respondent Schaedel signed the Uniform Submission Agreement on or about: February 11, 2003.

CASE SUMMARY

In **Case No. 02-07526**, Claimant alleged that Respondent Truman breached an obligation to repay monies owed under a Financial Advisor Bonus Repayment Agreement.

In **Case No. 02-07798**, Claimant alleged that Respondent Schaedel breached an obligation to repay monies owned under a Financial Advisor Bonus Repayment Agreement.

Unless specifically admitted in their Answers, Respondents denied the allegations made in the Statements of Claim and asserted various defenses.

RELIEF REQUESTED

In **Case No. 02-07526**, Claimant requested against Respondent Truman: 1) compensatory damages in the amount of \$66,292.00; 2) interest at the rate of 8.00% per annum from August 23, 2002 to the date of payment; 3) costs; 4) attorneys' fees; and 5) such other relief the undersigned arbitrators (the "Panel") deemed just and proper.

In **Case No. 02-07798**, Claimant requested against Respondent Schaedel: 1) compensatory damages in the amount of \$126,957.12; 2) interest at the rate of 8.00% per annum from August 23, 2002 to the date of payment; 3) costs; 4) attorneys' fees; and 5) such other relief the Panel deemed just and proper.

In **Case No. 02-07526**, Respondents Truman and Schaedel requested: 1) dismissal of the Statement of Claim in its entirety; 2) costs; and 3) attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 15, 2003, NASD Dispute Resolution granted the parties' joint request to consolidate NASD Dispute Resolution Case No. 02-07526 with NASD Dispute Resolution Case No. 02-07798.

On or about January 23, 2004, Claimant filed a notice of settlement with NASD Dispute Resolution. Thereafter, the parties requested the entry of a Stipulated Award.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a

handwritten, signed Stipulated Award may be entered.

AWARD

After considering the pleadings and the parties' request for the entry of a Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Truman shall be liable for and pay to Claimant the amount of \$66,292.00, plus interest at a rate of 8.00% per annum from August 23, 2002 through the date of payment.
2. Respondent Schaedel shall be liable for and pay to Claimant the amount of \$126,957.12, plus interest at a rate of 8.00% per annum from August 23, 2002 through the date of payment.
3. The individual liability of each Respondent shall not be joint and several between the Respondents.
4. Except as otherwise specified herein, each party shall bear its own costs.
5. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed in **Case No. 02-07526**:

Filing Fees

NASD will retain or collect the non-refundable filing fees 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. Accordingly, Claimant is a member firm and a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed in Case No. 02-07526.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

There were no three-day cancellation fees assessed during these proceedings in Case No. 02-07526.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

There were no injunctive relief fees assessed during these proceedings in Case No. 02-07526.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. 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 @ \$1,125.00 per session	= \$1,125.00
Pre-hearing conference: June 24, 2003 1 session	
<hr/>	
Total Forum Fees	= \$1,125.00

Pursuant to the agreement of the parties, the Panel has assessed forum fees in the amount of \$562.50 to Claimant and in the amount of \$562.50 jointly and severally to Respondents Truman and Schaedel.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings in Case No. 02-07526.

Pursuant to the Code, the following fees are assessed in **Case No. 02-07798**:

Filing Fees

NASD will retain or collect the non-refundable filing fees 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. Accordingly, Claimant is a member firm and a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed in Case No. 02-07798.

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There were no administrative costs incurred during these proceedings in Case No. 02-07798.

Fee Summary

In Case No. 02-07526, Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$4,600.00
Retained Hearing Session Deposit per Rule 10332(f) of the Code	= \$ 562.50
<u>Forum Fees</u>	<u>= \$ 562.50</u>
Total Fees	= \$6,725.00
<u>Less payments</u>	<u>= \$6,725.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

In Case No. 02-07526, Respondents Truman and Schaedel are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$ 562.50</u>
Total Fees	= \$ 562.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 562.50

In Case No. 02-07798, Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$2,450.00
Total Fees	= \$3,450.00
<u>Less payments</u>	<u>= \$3,450.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

<i>Raphael M. Kelly</i>	-	<i>Non-Public Arbitrator, Presiding Chairperson</i>
<i>Ben E. Fisher</i>	-	<i>Non-Public Arbitrator</i>
<i>Richard M. Kowalske</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Raphael M. Kelly
Non-Public Arbitrator, Presiding Chairperson

December 30, 2004
Signature Date

/s/
Ben E. Fisher
Non-Public Arbitrator

December 30, 2004
Signature Date

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(consolidated w/02-07798)
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/s/

Richard M. Kowalske
Non-Public Arbitrator

December 30, 2004

Signature Date

December 30, 2004

Date of Service (For NASD Dispute Resolution office use only)

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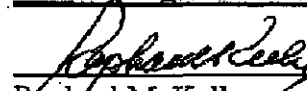
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Ben E. Fisher	-	Non-Public Arbitrator
Richard M. Kowalske	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Raphael M. Kelly
Non-Public Arbitrator, Presiding Chairperson

12/30/04
Signature Date

Ben E. Fisher
Non-Public Arbitrator

Signature Date

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Ben E. Fisher	-	Non-Public Arbitrator
Richard M. Kowalske	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Raphael M. Kelly
Non-Public Arbitrator, Presiding Chairperson

Signature Date


Ben E. Fisher
Non-Public Arbitrator

12/30/04
Signature Date

NASD Dispute Resolution
Arbitration No. 02-07526
(consolidated with 02-07798)
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Richard M. Kowalski
Richard M. Kowalski
Non-Public Arbitrator

12-30-04
Signature Date

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