

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 03-02733

Gwendolyn O'Donnell individually and on behalf of her IRA

Name of the Respondents

Hearing Site: Baltimore, MD

Legg Mason Wood Walker, Inc.

Michael Mordenti

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant, Gwendolyn O'Donnell, individually and on behalf of her IRA ("Claimant"), was represented by Michael Lynch, Esq. and William Young, Esq., Hooper & Weiss, L.L.C., Orlando, Florida.

Respondents, Legg Mason Wood Walker, Inc. ("Legg Mason") and Michael Mordenti ("Mordenti"), hereinafter collectively referred to as "Respondents", were represented by Gretchen L. Klebasko, Esq., Associate General Counsel for Legg Mason, Baltimore, Maryland.

CASE INFORMATION

Statement of Claim filed on or about March 31, 2003.

Claimant signed the Uniform Submission Agreement individually and on behalf of her IRA on March 3, 2003.

Joint Statement of Answer filed by Respondents on June 10, 2003.

A representative of Respondent Legg Mason executed the Uniform Submission Agreement on June 10, 2003.

Respondent Mordenti signed the Uniform Submission Agreement on June 12, 2003.

CASE SUMMARY

Claimant alleged that Respondents made unsuitable recommendations for investments in her accounts. The cause of action relates to the allocation of funds within Claimant's annuity.

In their Statement of Answer Respondents denied all allegations and requested that the claim be dismissed in its entirety.

RELIEF REQUESTED

Claimant in her Statement of Claim requested:

Compensatory Damages

\$82,312.05

Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the claim be dismissed in its entirety and that they be awarded costs and expenses incurred.

OTHER ISSUES CONSIDERED AND DECIDED

On or about June 16, 2004 the parties agreed to a settlement and request that the Arbitration Panel (the "Panel") recommend the expungement of all references to this matter from the records of Respondent Mordenti maintained by NASD Central Registration Depository ("CRD").

The parties have agreed that the Stipulated 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 and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have agreed to settle this matter. Claimant withdraws all claims against both Respondents and, therefore this matter is dismissed as to both Respondents;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Mordenti's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Mordenti must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Legg Mason is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00
Total Member Fees	= \$3,550.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$750.00 = \$ 750.00

Pre-hearing conference: February 2, 2004 1 session

Total Forum Fees = \$ 750.00

1. The Panel has assessed \$375.00 of the forum fees to Claimant.
2. The Panel has assessed \$375.00 of the forum fee jointly and severally to Respondents.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 375.00
Total Fees	= \$ 600.00
Retained Hearing Session Deposit	= \$ 375.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 00.00

2. Respondent Legg Mason is assessed and shall pay the following fees:

Member Fees	= \$3,550.00
Total Fees	= \$3,550.00
Less payments	= \$3,550.00
Balance Due NASD Dispute Resolution	= \$ 00.00

3. Respondents are jointly and severally assessed and shall pay the following fees:

Forum Fees	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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

ARBITRATION PANEL

Christopher M. McMurray, Esq.	-	Public Arbitrator, Presiding Chairperson
Alan E. Grimshaw	-	Public Arbitrator, Panelist
Merle D. Rockwell	-	Non-Public Arbitrator, Panelist

07/27/2004 10:08 FAX 202 728 8082

NASD DISPUTE RESOLUTION

406/000

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Concurring Arbitrators' Signatures

Christopher M. McMurray, Esq.
Public Arbitrator, Presiding Chairperson

8/5/04
Signature Date

Alan E. Grinchew
Public Arbitrator, Panelist

Signature Date

Merle D. Rockwell
Non-Public Arbitrator, Panelist

Signature Date

08/19/04

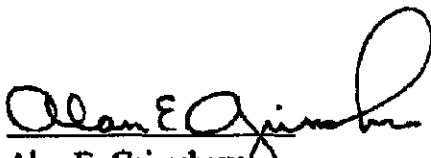
Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures

Christopher M. McMurray, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Alan E. Grimshaw
Public Arbitrator, Panelist

August 17, 2004

Signature Date

Merle D. Rockwell
Non-Public Arbitrator, Panelist

Signature Date

08/19/04

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Concurring Arbitrators' Signatures

Christopher M. McMurray, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Alan E. Grimshaw
Public Arbitrator, Panelist

Signature Date


Merle D. Rockwell
Non-Public Arbitrator, Panelist


Signature Date

08/19/04

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