
**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of Claimant
Joan Bouden Kostmayer LaFaver

Case Number: 03-07698

Names of Respondents
Legg Mason Wood Walker, Inc.
Don Celestin
Jim Walther

Hearing Site: New Orleans, Louisiana

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

REPRESENTATION OF PARTIES

Joan Bouden Kostmayer LaFaver, hereinafter referred to as "Claimant," appeared *pro se*. Claimant was represented by Thomas R. Ajamie, Jr., Esq., Ajamie L.L.P., Houston, Texas, and Wallace A. Showman, Wallace A. Showman, L.L.P., New York, New York, until May 19, 2006, when they withdrew as counsel.

For Legg Mason Wood Walker, Inc. ("LMWW"), Don Celestin ("Celestin"), and Jim Walther ("Walther"), hereinafter collectively referred to as "Respondents": Thomas K. Potter, III, Esq. and Sarah B. Belter, Esq., Jones, Walker, Waechter, Poitevent, Carrère & Denègre, L.L.P., New Orleans, Louisiana.

CASE INFORMATION

Statement of Claim filed on or about: October 26, 2003.

Amended Statement of Claim filed on or about: May 3, 2005.

Claimant signed the Uniform Submission Agreement on: January 14, 2004.

Answer and Incorporated Motion to Dismiss filed by Respondents on or about: March 9, 2004.

Respondents Celestin and Walther signed Uniform Submission Agreements on: March 3, 2004.

Respondent LMWW signed the Uniform Submission Agreement on: March 9, 2004.

Claimant's Opposition to Respondents' Motion to Dismiss filed on or about: May 3, 2005.

Respondents' Answer to, and Incorporated Motion to Dismiss, Claimant's Amended Statement of Claim filed on or about: May 17, 2005.

Joint Motion to Dismiss Individual Respondents Celestin and Walther filed on or about: May 26, 2005.

Respondent LMWW's Reply Brief on Motion to Dismiss filed on or about: May 27, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: 1) unsuitable trading; 2) misrepresentations and omissions; 3) negligence; 4) breach of contract; 5) failure to supervise; 6) violation of Section 10(b) of the Securities and Exchange Act; 7) breach of fiduciary duty; 8) violation of Louisiana Revised Statutes § 51:712; 9) violation of Maryland Code, Corporations and Associations, §§ 11-301 and 11-302; and, 10) various other violations of state and federal securities laws, including unauthorized trading, churning, and recklessness. The causes of action relate to investments in numerous securities in Claimant's account including, but not limited to, Dell, Cracker Barrel, and Unisys.

In their Answer, Respondents denied all wrongdoing and asserted the following affirmative defenses: 1) statute of limitations and repose, waiver, laches, ratification and/or acquiescence; 2) failure to state a cause of action; 3) estoppel; 4) failure to exercise reasonable due diligence in transactions; 5) failure to exercise due care in transactions; 6) misrepresentation of financial goals; 7) failure to mitigate damages; and, 8) Respondents' lack of control over the account.

RELIEF REQUESTED

Claimant requested actual damages of not less than \$148,000 and general damages for mental anguish, humiliation, and inconvenience in the amount of \$100,000.00. Claimant's Amended Statement of Claim also stated that Claimant was in the process of calculating her losses, indicating that these were not her final damages numbers.

Respondents requested that the undersigned arbitrators (the "Panel"): 1) dismiss the Statement of Claim in its entirety; 2) assess all costs and forum fees against Claimant; 3) refund all NASD member surcharges; 4) order expungement of the claim from Respondents Walther and Celestin's NASD Central Registration Depository ("CRD") records; and, 5) award Respondents all other relief deemed just under the circumstances.

OTHER ISSUES CONSIDERED AND DECIDED

On or about August 26, 2005, the Panel issued an order which granted the Joint Motion to Dismiss Respondents Celestin and Walther and denied Respondent LMWW's Motion to Dismiss.

On or about December 12, 2005, the parties informed NASD Dispute Resolution that they had entered into a settlement agreement.

On or about June 12, 2006, the parties filed with NASD Dispute Resolution a Joint Motion to Approve Stipulated Award ("Joint Motion").

The parties have 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 Joint Motion, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents are hereby dismissed.
2. Other than forum fees, all parties shall bear their respective costs and expenses, including attorneys' fees, incurred in this matter.
3. The Panel recommends the expungement of all references to the above captioned arbitration from Respondents Walther and Celestin's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents Walther and Celestin must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. Any and all requests for relief not specifically addressed herein are denied and all claims are dismissed with prejudice.

FEES

Pursuant to the NASD Code of Arbitration Procedure ("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	= \$300.00
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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 persons at the time of the events giving rise to the dispute. Accordingly, Respondent LMWW is a party and was a member firm at the time the fees were assessed.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
Total Member Fees	= \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

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:

December 12-16, 2005, settled by all parties = \$300.00

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.

Forum Fees and Assessments

The Panel has assessed forum fees for each 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:

Four (4) Pre-hearing sessions with the Panel @ \$1,125.00/session = \$4,500.00

Pre-hearing conferences:	July 12, 2004	1 session
	July 19, 2004	1 session
	March 22, 2005	1 session
	August 25, 2005	1 session

Total Forum Fees	= \$4,500.00
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The Panel has assessed \$2,250.00 of the forum fees to Claimant.

The Panel has assessed \$2,250.00 of the forum fees jointly and severally to Respondents.

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 are 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.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$2,250.00
Total Fees	= \$2,700.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,700.00

Respondent LMWW is solely liable for:

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

Respondents are jointly and severally liable for:

Three-Day Cancellation Fee	= \$ 150.00
Forum Fees	= \$2,250.00
Total Fees	= \$2,400.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,400.00

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

ARBITRATION PANEL

W. Patrick Baker, Esq.	-	Public Arbitrator, Presiding Chairperson
Constance K. Barron	-	Public Arbitrator
Troy C. Sumrall, CFP	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

W. Patrick Baker, Esq.

Public Arbitrator, Presiding Chairperson

Signature Date

/s/

Constance K. Barron

Public Arbitrator

Signature Date

/s/

Troy C. Sumrall, CFP

Non-Public Arbitrator

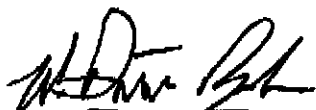
Signature Date

July 6, 2006

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

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Concurring Arbitrators' Signatures



W. Patrick Baker, Esq.
Public Arbitrator, Presiding Chairperson

11 July 2006
Signature Date

Constance K. Barron
Public Arbitrator

Signature Date

Troy C. Sumrall, CFP
Non-Public Arbitrator

Signature Date

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

Concurring Arbitrators' Signatures

W. Patrick Baker, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Constance K. Barron
Constance K. Barron
Public Arbitrator

7-5-06
Signature Date

Troy C. Sumrall, CFP
Non-Public Arbitrator

Signature Date

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

FROM : Troy

FAX NO.

Jul. 05 2006 01:12PM P1
No. 6392 P. 1/1

Jul. 5. 2006 1:00PM NASD

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Concurring Arbitrators' Signatures

W. Patrick Baker, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Constance K. Barron
Public Arbitrator

Signature Date


Troy Q. Sumrall, CFP
Non-Public Arbitrator

7/5/06
Signature Date

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