

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Sean Michael Flavin

Case Number: 04-05580

Names of the Respondents

Legg Mason Wood Walker, Incorporated
Steven Fischetti

Hearing Site: Pittsburgh, Pennsylvania

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

REPRESENTATION OF PARTIES

Claimant, Sean Michael Flavin, hereinafter referred to as "Claimant", was represented by Jay B. Kranich, Esq., Attorney at Law, Pittsburgh, Pennsylvania.

Respondents, Legg Mason Wood Walker, Incorporated ("Legg Mason") and Steven Fischetti ("Fischetti"), hereinafter collectively referred to as "Respondents", were represented by Paula Shaffner, Esq., Saul Ewing, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on August 1, 2004.

Claimant submitted an undated Uniform Submission Agreement.

Statement of Answer filed by Respondents on November 4, 2004.

Respondent Fischetti signed the Uniform Submission Agreement on November 3, 2004.

A representative of Respondent Legg Mason executed the Uniform Submission Agreement on November 4, 2004.

CASE SUMMARY

Claimant asserted the following causes of action, among others: conversion, breach of fiduciary duty, breach of contract, and failure to supervise. The causes of action relate to the termination of Claimant's employment with Respondent Legg Mason.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim upon which relief may be granted; the claims are barred by the doctrines of waiver, estoppel and ratification; failure to mitigate damages; and statute of limitations.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	\$100,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Interest	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed in its entirety and that Respondents be awarded all costs and expenses incurred in defending this claim..

OTHER ISSUES CONSIDERED AND DECIDED

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.

At the hearing on the merits Claimant moved for Summary Judgment. Having heard Respondents' objections, the Arbitration Panel (the "Panel") denied the motion.

At the hearing Claimant amended his claim and withdrew the allegation of conversion of Claimant's property and the allegation of Respondent Legg Mason's failure to supervise.

AWARD

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

1. All claims against Respondents Legg Mason and Fischetti are denied with prejudice in their entirety;
2. Claimant is liable to and shall pay to Respondents attorneys' fees in the amount of \$21,186.55. Authority for the award of attorneys' fees derives from Section 2503 of the Pennsylvania Statutes, 42 Pa. Cons. Stat. Ann.
3. All claims for punitive damages are denied in their entirety;
4. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
5. Any and all relief not specifically addressed herein 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 a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: August 5, 2005 1 session

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

Pre-hearing conference: January 10, 2005 1 session

Two (2) Hearing sessions @ \$750.00 = \$1,500.00

Hearing Date: September 20, 2005 2 sessions

Total Forum Fees = \$2,700.00

1. The Panel has assessed \$2,700.00 of the forum fees to Claimant

FFF SUMMARY

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

Initial Filing Fee = \$ 225.00

Forum Fees = \$2,700.00

Total Fees = \$2,925.00

Less payments = \$1,425.00

Balance Due NASD Dispute Resolution = \$1,500.00

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

Member Fees = \$3,550.00

Total Fees	= \$3,550.00
<u>Less payments</u>	<u>= \$3,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00


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

ARBITRATION PANEL

Marshall S. Galinsky, Esq.	-	Public Arbitrator, Presiding Chairperson
John W. Eichleay, Jr., Esq.	-	Public Arbitrator, Panelist
Dennis R. Shannon	-	Non-Public Arbitrator, Panelist

NASD Dispute Resolution
Arbitration No. 04-05580
Award Page 5

Concurring Arbitrators' Signatures


Marshall S. Galinsky, Esq.
Public Arbitrator, Presiding Chairperson

10-14-05
Signature Date

John W. Eichleay, Jr., Esq.
Public Arbitrator, Panelist

Signature Date

Dennis R. Shannon
Non-Public Arbitrator, Panelist

Signature Date

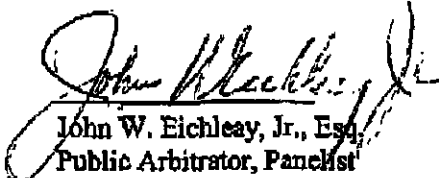
12/17/02
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution
Arbitration No. 04-03580
Award Page 5

Concurring Arbitrators' Signatures

Marshall S. Galinsky, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


John W. Eichleay, Jr., Esq.
Public Arbitrator, Panelist

10/13/05
Signature Date

Dennis R. Shannon
Non-Public Arbitrator, Panelist

Signature Date

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

NASD Dispute Resolution
Arbitration No. 04-05580
Award Page 5

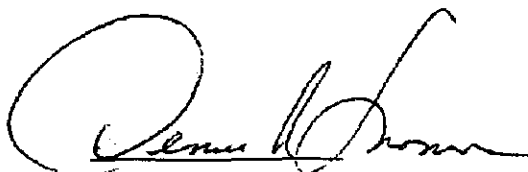
Concurring Arbitrators' Signatures

Marshall S. Galinsky, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

John W. Eichleay, Jr., Esq.
Public Arbitrator, Panelist

Signature Date



Dennis R. Shannon
Non-Public Arbitrator, Panelist

10/14/05

Signature Date

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