

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Legg Mason Wood Walker, Inc. (Claimant) vs. Timothy Carmichael (Respondent)

Case Number: 04-07628

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Legg Mason Wood Walker, Inc. hereinafter referred to as ("Claimant"): Gretchen L. Klebasko, Esq., Legg Mason Wood Walker, Inc., Baltimore, MD.

Timothy Carmichael hereinafter referred to as ("Respondent") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: October 29, 2004.

Claimant signed the Uniform Submission Agreement: October 14, 2004.

Respondent did not file a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following cause of action: failure to pay the balance owed on a promissory note.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$50,000.00; interest; filing fees in the amount of \$1,400.00 and collection fees in the amount of \$15,000.00.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrator ("Arbitrator") determined that Respondent has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

AWARD

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

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$50,000.00, plus interest at the rate of 1% above prime per annum from the date of service of the award until the award is paid.
2. Respondent is liable for and shall pay to Claimant the sum of \$1,000.00 to reimburse Claimant for the non-refundable filing fee previously paid to NASD Dispute Resolution.
3. Any and all relief not specifically addressed herein is denied.

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	= \$ 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, Legg Mason Wood Walker, Inc. is a party.

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	= \$ 1,000.00
Total Member Fees	= \$ 2,625.00

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, 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: April 14, 2005 1 session	
One (1) Hearing session @ \$450.00	= \$ 450.00
<u>Hearing Date: November 30, 2005 1 session</u>	
Total Forum Fees	= \$ 900.00

1. The Arbitrator has assessed \$900.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,625.00
Total Fees	= \$ 3,625.00
Less payments	= \$ 3,075.00
Balance Due NASD Dispute Resolution	= \$ 550.00

As stated in the "Award" section above, Respondent shall reimburse Claimant for the filing fee previously paid to NASD Dispute Resolution.

2. Respondent is solely liable for:

Forum Fees	= \$ 900.00
Total Fees	= \$ 900.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 900.00

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

ARBITRATOR

Paul M. Rosenthal

Sole Non-Public Arbitrator

Arbitrator's Signature

I, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Paul M. Rosenthal
Sole Non-Public Arbitrator

12/14/05
Signature Date

December 14, 2005
Date of Service (For NASD Dispute Resolution use only)