

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Harold E. Fox

vs.

Award No.
95-01468

Name of Respondent

Legg Mason Wood Walker, Inc

REPRESENTATION

Claimant Harold E. Fox ("Claimant") appeared pro se.

For Respondent Legg Mason Wood Walker, Inc. ("Respondent"), appeared John R. Gilner, Esq., in-house counsel located in Baltimore, Maryland.

CASE INFORMATION

Statement of Claim was filed on March 23, 1995.

Claimant's Submission Agreement was signed on March 17, 1995.

Statement of Answer was filed by Respondent on May 10, 1995.

Respondent's Submission Agreement was signed on May 10, 1995.

HEARING INFORMATION

Hearing Dates/Sessions: October 16, 1995 - 2 sessions

The hearings took place in the National Association of Securities Dealers Inc.'s offices located at 260 Franklin Street, Boston, Massachusetts.

CASE SUMMARY

Claimant alleges that Henry Custin ("Custin") was a broker for Respondent. Claimant alleges that in March, 1994 he gave Custin instructions by phone that he wanted to capture the Media Vision profit. Claimant maintains that he had informed Custin that he was going on vacation and that he was confident that Custin would carry out his instructions. Upon returning from his vacation, the Claimant avers, that he learned that the Media Vision stock had not been sold and had dropped by more than two-thirds in value. In addition, the Claimant states that he learned that Custin was no longer with Respondent, and that Marcus DeBaise ("DeBaise") was now handling his account. Claimant further avers that he never made any unsolicited stock purchases for his account. According Claimant from Respondent's compliance department did not respond to his claim for losses.

Respondent contends that Custin followed all of Claimant's instructions and fully discussed and explained all investment recommendations with the Claimant and that the Claimant authorized all transactions in his account. Moreover, it is contended by the Respondent that the Claimant never instructed Custin to sell the stock, considering the fact that additional Media Vision shares were purchased in March 1994. The Respondent further contends that between March, 1994 and July 1994 the Claimant continuously chose to retain the Media Vision stock instead of selling it. According to the Respondent, even if Claimant had previously requested the sale of his investment, his decision to hold the stock constituted a ratification of the investment.

The Respondent asserts the following affirmative defenses: Claimant's allegations fail to state a claim upon which relief can be granted; Claimant has failed to show that Legg Mason was the proximate cause of any loss incurred; Claimant's damage analysis overstates actual damages incurred; Claimant's claims are barred by contributory negligence; and the Claimant failed to mitigate any loss incurred.

RELIEF REQUESTED

Claimant requests reimbursement of his losses totaling \$27,882.98.

Respondent requests that an award be entered in its favor with all relief requested by Claimant denied and all costs assessed against the Claimant.

OTHER ISSUES CONSIDERED & 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. In either case, the parties have agreed to receive conformed copies of the Award while the original remains on file with the NASD.

AWARD

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

1. The Respondent is liable to the Claimant for the sum of **NINE THOUSAND ONE HUNDRED DOLLARS (\$9,100.00)**.
2. The Respondent is assessed all the costs of this proceeding and outlined in the Forum Fees Section of this Award.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed.

Non-refundable filing fee:	\$100.00
Hearing Sessions (2 @ \$400 each session):	<u>\$800.00</u>
Total Fees:	\$900.00

1. The Claimant previously paid \$500.00 and is entitled to a refund of \$400.00.
2. The Respondent has paid nothing and owes \$400.00 to the Claimant and \$400.00 to the NASD.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Richard J. Grahn, Esq.	-	Public Chairperson
Joseph Scardino, Esq.	-	Public Panelist
Lowell A. Warren, Jr.	-	Industry Panelist

Concurring Arbitrator's Signature



Joseph Scardino, Esq.

NASD's Date of Decision: November 15, 1995

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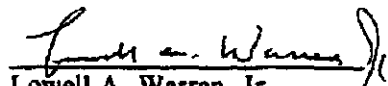
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Concurring Arbitrator's Signature


Lowell A. Warren, Jr.

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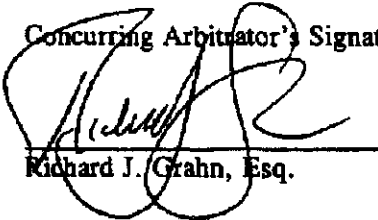
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