

**Amended Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 04-03071

Tom Lester
Shelton Whittington
Kathryn D. Whittington
Donald T. Erwin, M.D.
Mary Abell, M.D.
Steven W. Stogner, M.D.

Names of the Respondents

Hearing Site: New Orleans, Louisiana

Merrill Lynch Pierce, Fenner & Smith, Inc.
Henry Blodget
Justin Baldauf
Kirsten Campbell
Virginia Syer Genereux
Sofia Ghachem
Edward McCabe
Deepak Raj
Phua K. Young
Fund Asset Management, L.P.

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

REPRESENTATION OF PARTIES

For Tom Lester ("Lester"), Shelton Whittington ("S. Whittington"), Kathryn D. Whittington ("K. Whittington"), Donald T. Erwin, M.D. ("Erwin"), Mary Abell, M.D. ("Abell") and Steven W. Stogner, M.D. ("Stogner"), hereinafter collectively referred to as "Claimants": John G. Corlew, Esq., Watkins & Eager, Jackson, Mississippi and Kirk Reasonover, Esq., Reasonover Law Firm, LLC, New Orleans, Louisiana.

For Merrill Lynch Pierce, Fenner & Smith, Inc., Inc. ("ML"): Peter S. Fruin, Esq. and Bradley B. Rounsaville, Esq., Maynard, Cooper & Gale, P.C. Birmingham, Alabama.

For Henry Blodget ("Blodget"): Joseph D. Edmondson, Jr., Esq., Foley & Lardner, LLP, Washington, DC.

For Justin Baldauf ("Baldauf"), Kirsten Campbell ("Campbell"), Virginia Syer Genereux ("Genereux") and Edward McCabe ("McCabe"): Andrew W. Stern, Esq., Sidley Austin Brown & Wood, LLP, New York, New York.

Sofia Ghachem ("Ghachem") appeared pro se.

For Deepak Raj ("Raj"): Betty Santangelo, Esq., Shulte, Roth & Zabel, LLP, New York, New York.

For Phua K. Young ("Young"): Vicki F. Andreadis, Esq., Hughes Hubbard & Reed, LLP, New York, New York.

Fund Asset Management, L.P. ("FAM") did not submit to arbitration.

CASE INFORMATION

Statement of Claim filed on or about: April 27, 2004.

Amended Statement of Claim filed on or about: July 19, 2004.

Claimant Lester signed the Uniform Submission Agreement: March 15, 2004.

Claimant S. Whittington signed the Uniform Submission Agreement: March 13, 2004.

Claimant K. Whittington signed the Uniform Submission Agreement: March 13, 2004.

Claimant Erwin signed the Uniform Submission Agreement: March 14, 2004.

Claimant Abell signed the Uniform Submission Agreement: March 14, 2004.

Claimant Stogner signed the Uniform Submission Agreement: April 6, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent ML on or about: October 21, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent Blodget on or about: October 21, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent Young on or about: October 5, 2004.

Respondent Young signed the Uniform Submission Agreement: August 30, 2004.

Respondent Raj signed the Uniform Submission Agreement: August 28, 2004.

Respondent ML did not sign the Uniform Submission Agreement.

Respondent Blodget did not sign the Uniform Submission Agreement.

Respondent Baldauf did not sign the Uniform Submission Agreement.

Respondent Campbell did not sign the Uniform Submission Agreement.

Respondent Genereux did not sign the Uniform Submission Agreement.

Respondent McCabe did not sign the Uniform Submission Agreement.

Motion to Dismiss and Answer filed by Respondents Baldauf, Campbell, Genereux and McCabe on or about December 1, 2004.

Motion to Dismiss filed by Respondent Young on or about: March 4, 2005.

Motion to Dismiss Statement of Claim and Memorandum in Support Thereof filed by Respondent Blodget on or about: March 17, 2005.

Memorandum Brief in Opposition to Motions to Dismiss of Respondents Blodget and Young filed by Claimants on or about: April 18, 2005.

Respondents FAM and Ghachem did not file a Statement of Answer or a Uniform Submission Agreement.

Respondent Raj did not file a Statement of Answer.

CASE SUMMARY

Claimants asserted the following causes of action: 1) breach of fiduciary duty; 2) violation of State "Blue Sky" Laws; 3) unjust enrichment; 4) negligent misrepresentation; 5) fraud and intentional misrepresentation; and, 6) negligence. The causes of action relate to Claimants' investments in, including but not limited to, Merrill Lynch's Focus 20 Fund, Internet Capital stock and Tyco stock.

Unless specifically admitted in their Answers, Respondents Baldauf, Campbell, Genereux, McCabe, ML, Blodget and Young denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested: 1) unspecified compensatory damages; 2) pre and post judgment interest; 3) disgorgement; 4) attorneys' fees; 5) costs; 6) unspecified punitive damages; and, 7) other actual damages.

Respondent ML requested: 1) that all claims be denied; 2) fees and costs; and, 3) such other relief as deemed just.

Respondent Blodget requested: 1) that all claims be dismissed with prejudice; 2) attorneys' fees; 3) costs; and, 4) expungement of all references to the Statement of Claim from his NASD Central Registration Depository ("CRD") record.

Respondent Young requested: 1) that all claims be dismissed; 2) expungement of all references to this matter from his CRD record; 3) costs and expenses; 4) attorneys' fees; and, 5) for such other relief as deemed just.

Respondents Baldauf, Campbell, Genereux and McCabe requested: 1) that the Amended Statement of Claim be dismissed with prejudice; 2) attorneys' fees; and 3) costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Ghachem 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 Panel on all issues submitted.

Respondents ML, Blodget, Baldauf, Campbell, Genereux and McCabe did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim,

are bound by the determination of the Panel on all issues submitted.

Claimants asserted claims against non-member FAM. The non-member declined to voluntarily submit to the jurisdiction of NASD Dispute Resolution. Therefore, the Panel made no determination with respect to FAM.

On or about December 13, 2004, Claimants dismissed their claims, with prejudice, against the following Respondents: Raj, Campbell, Genereux, Baldauf and McCabe.

On or about January 3, 2005, Claimants dismissed their claims against Respondent Ghachem, without prejudice.

On or about May 11, 2005, the Panel issued an order denying the Motions to Dismiss submitted by Respondents Blodget and Young.

During the evidentiary hearing, Respondents Raj, Blodget and Young submitted Motions for Expungement of this matter from their NASD Central Registration Depository ("CRD") records.

During the evidentiary hearing on May 8, 2007, Claimants Lester and Stogner withdrew their claims, with prejudice.

Claimants S. Whittington and Abell did not attend the evidentiary hearing.

During the evidentiary hearing, Respondents ML, Blodget and Young made an ore tenus motion for a directed verdict which was denied by the Panel.

During the evidentiary hearing, Claimants made an ore tenus motion to introduce the findings and conclusions related to regulatory investigations and resulting settlements, which was denied by the Panel.

On June 12, 2007, the Panel heard oral argument and evidence regarding the expungement requests of Respondents Raj, Blodget and Young.

By letter dated July 5, 2007, in order to confirm the Award previously served by NASD Dispute Resolution on June 20, 2007, Respondent Raj filed an unopposed Request to Insert New York Affirmation Language in the Award. After due deliberation, the Panel determined to grant Respondent Raj's request. Accordingly, this Amended Award includes the New York Affirmation language.

The parties have agreed that the Amended Award in this matter may be executed in counterpart copies or that a handwritten, signed Amended Award may be entered.

AWARD

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

Claimants S. Whittington, K. Whittington, Erwin and Abell's claims are denied in their entirety.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Young, Raj and Blodgett's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondents Young, Raj and Blodgett must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact as to Respondents Young, Raj and Blodgett:

The registered persons were not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

Any and all claims for relief not specifically addressed herein, including claims for punitive damages and attorneys' fees, is denied.

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	= \$250.00
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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, Respondent ML is a party and a member firm.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00

Hearing process fee	= \$2,200.00
Total Member fees	= \$4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 3 – 14, 2006, adjournment by Claimants = \$1,000.00

The Panel assessed \$500.00 of the postponement fee to Claimants, jointly and severally.

The Panel assessed \$500.00 of the postponement fee to Respondents ML, Blodget and Young, jointly and severally.

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:

There were no three-day cancellation fees assessed during these proceedings.

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, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with one arbitrator @ \$450.00/session= \$ 900.00

Pre-hearing conferences:	February 2, 2006	1 session
	February 13, 2006	1 session

Four (4) Pre-hearing sessions with the Panel @ \$1,000.00/session= \$4,000.00

Pre-hearing conferences:	February 23, 2005	1 session
	May 11, 2005	1 session

	June 6, 2006	1 session	
	February 21, 2007	1 session	
Nineteen (19) Hearing sessions @ \$1,000.00/session			= \$19,000.00
Hearing Dates:	February 27, 2007	2 sessions	
	February 28, 2007	2 sessions	
	March 1, 2007	3 sessions	
	March 2, 2007	2 sessions	
	May 7, 2007	2 sessions	
	May 8, 2007	2 sessions	
	May 9, 2007	3 sessions	
	May 10, 2007	2 sessions	
	June 12, 2007	1 session	
Total Forum Fees			= \$23,900.00

The Panel has assessed forum fees of \$6,950.00 to Claimants Lester, S. Whittington, K. Whittington, Erwin, Abell and Stogner, jointly and severally, representing one-half of the total forum fees for all pre-hearing conferences and the hearing sessions held in February 2007 and March 2007.

The Panel has assessed forum fees of \$4,500.00 to Claimants S. Whittington, K. Whittington, Erwin and Abell, jointly and severally, representing one-half of the total forum fees for the hearing sessions held in May 2007.

The Panel has assessed forum fees of \$11,450.00 to Respondents ML, Blodget and Young, jointly and severally, representing one-half of the total forum fees for all pre-hearing conferences and the hearing sessions held in February 2007, March 2007 and May 2007.

The Panel has assessed forum fees of \$1,000.00 to Respondents Raj, Blodget and Young, jointly and severally, representing the total forum fees for the hearing session held on June 12, 2007.

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

Claimants Lester, S. Whittington, K. Whittington, Erwin, Abell and Stogner are jointly and severally liable for:

Initial Filing Fee	= \$ 250.00
Adjournment Fees	= \$ 500.00
Forum Fees	= \$ 6,950.00
Total Fees	= \$ 7,700.00
Less payments	= \$ 2,300.00
Balance Due NASD Dispute Resolution	= \$ 5,400.00

Claimants S. Whittington, K. Whittington, Erwin and Abell are jointly and severally liable for:

Forum Fees	= \$4,500.00
Total Fees	= \$4,500.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$4,500.00

Respondent ML is solely liable for:

Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
Less payments	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents ML, Blodget and Young are jointly and severally liable for:

Adjournment Fees	= \$ 500.00
Forum Fees	= \$11,450.00
Total Fees	= \$11,950.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$11,950.00

Respondents Raj, Blodget and Young are jointly and severally liable for:

Forum Fees	= \$ 1,000.00
Total Fees	= \$ 1,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

ARBITRATION PANEL

Frederick H. Bruce	-	Public Arbitrator, Presiding Chairperson
Dianne B. Elkins	-	Public Arbitrator
John J. Meyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

/s/
Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

July 16, 2007
Signature Date

/s/
Dianne B. Elkins
Public Arbitrator

July 18, 2007
Signature Date

/s/
John J. Meyer
Non-Public Arbitrator

July 13, 2007
Signature Date

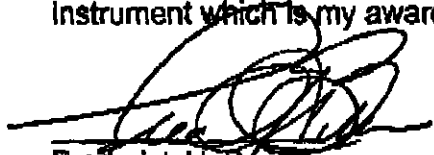
July 23, 2007
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

Frederick H. Bruce	-	Public Arbitrator, Presiding Chairperson
Dianne B. Elkins	-	Public Arbitrator
John J. Meyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.



Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

7/16/07
Signature Date

Dianne B. Elkins
Public Arbitrator

Signature Date

John J. Meyer
Non-Public Arbitrator

Signature Date

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

ARBITRATION PANEL


Frederick H. Bruce	-	Public Arbitrator, Presiding Chairperson
Dianne B. Elkins	-	Public Arbitrator
John J. Meyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

Signature Date


Dianne B. Elkins
Public Arbitrator

7/18/2007
Signature Date

John J. Meyer
Non-Public Arbitrator

Signature Date

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

ARBITRATION PANEL

President, F. B. I.	:	Public Arbitrator, Presiding Chairperson
Edward R. Foley	:	Public Arbitrator
John A. Meyer	:	Non-Public Arbitrator

Concurring Arbitrators' Signatures

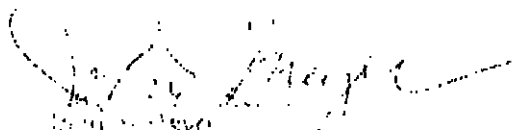
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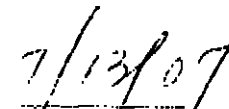
Edward R. Foley
Public Arbitrator, Presiding Chairperson

Signature Date

Edward R. Foley
Public Arbitrator

Signature Date


John A. Meyer
Non-Public Arbitrator


7/13/07
Signature Date

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 04-03071

Tom Lester
Shelton Whittington
Kathryn D. Whittington
Donald T. Erwin, M.D.
Mary Abell, M.D.
Steven W. Stogner, M.D.

Names of the Respondents

Hearing Site: New Orleans, Louisiana

Merrill Lynch Pierce, Fenner & Smith, Inc.
Henry Blodget
Justin Baldauf
Kirsten Campbell
Virginia Syer Genereux
Sofia Ghachem
Edward McCabe
Deepak Raj
Phua K. Young
Fund Asset Management, L.P.

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

REPRESENTATION OF PARTIES

For Tom Lester ("Lester"), Shelton Whittington ("S. Whittington"), Kathryn D. Whittington ("K. Whittington"), Donald T. Erwin, M.D. ("Erwin"), Mary Abell, M.D. ("Abell") and Steven W. Stogner, M.D. ("Stogner"), hereinafter collectively referred to as "Claimants": John G. Corlew, Esq., Watkins & Eager, Jackson, Mississippi and Kirk Reasonover, Esq., Reasonover Law Firm, LLC, New Orleans, Louisiana.

For Merrill Lynch Pierce, Fenner & Smith, Inc. ("ML"): Bradley B. Rounsaville, Esq., Maynard, Cooper & Gale, P.C. Birmingham, Alabama.

For Henry Blodget ("Blodget"): Joseph D. Edmondson, Jr., Esq., Foley & Lardner, LLP, Washington, DC.

For Justin Baldauf ("Baldauf"), Kirsten Campbell ("Campbell"), Virginia Syer Genereux ("Genereux") and Edward McCabe ("McCabe"): Andrew W. Stern, Esq., Sidley Austin Brown & Wood, LLP, New York, New York.

Sofia Ghachem ("Ghachem") appeared pro se.

For Deepak Raj ("Raj"): Betty Santangelo, Esq., Shulte, Roth & Zabel, LLP, New York, New York.

For Phua K. Young ("Young"): Vicki F. Andreadis, Esq., Hughes Hubbard & Reed, LLP, New York, New York.

Fund Asset Management, L.P. ("FAM") did not submit to arbitration.

CASE INFORMATION

Statement of Claim filed on or about: April 27, 2004.

Amended Statement of Claim filed on or about: July 19, 2004.

Claimant Lester signed the Uniform Submission Agreement: March 15, 2004.

Claimant S. Whittington signed the Uniform Submission Agreement: March 13, 2004.

Claimant K. Whittington signed the Uniform Submission Agreement: March 13, 2004.

Claimant Erwin signed the Uniform Submission Agreement: March 14, 2004.

Claimant Abell signed the Uniform Submission Agreement: March 14, 2004.

Claimant Stogner signed the Uniform Submission Agreement: April 6, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent ML on or about: October 21, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent Blodget on or about: October 21, 2004.

Statement of Answer to the Amended Statement of Claim filed by Respondent Young on or about: October 5, 2004.

Respondent Young signed the Uniform Submission Agreement: August 30, 2004.

Respondent Raj signed the Uniform Submission Agreement: August 28, 2004.

Respondent ML did not sign the Uniform Submission Agreement.

Respondent Blodget did not sign the Uniform Submission Agreement.

Respondent Baldauf did not sign the Uniform Submission Agreement.

Respondent Campbell did not sign the Uniform Submission Agreement.

Respondent Genereux did not sign the Uniform Submission Agreement.

Respondent McCabe did not sign the Uniform Submission Agreement.

Motion to Dismiss and Answer filed by Respondents Baldauf, Campbell, Genereux and McCabe on or about December 1, 2004.

Motion to Dismiss filed by Respondent Young on or about: March 4, 2005.

Motion to Dismiss Statement of Claim and Memorandum in Support Thereof filed by Respondent Blodget on or about: March 17, 2005.

Memorandum Brief in Opposition to Motions to Dismiss of Respondents Blodget and Young filed by Claimants on or about: April 18, 2005.

Respondents FAM and Ghachem did not file a Statement of Answer or a Uniform Submission Agreement.

Respondent Raj did not file a Statement of Answer.

CASE SUMMARY

Claimants asserted the following causes of action: 1) breach of fiduciary duty; 2) violation of State "Blue Sky" Laws; 3) unjust enrichment; 4) negligent misrepresentation; 5) fraud and intentional misrepresentation; and, 6) negligence. The causes of action relate to Claimants' investments in, including but not limited to, Merrill Lynch's Focus 20 Fund, Internet Capital stock and Tyco stock.

Unless specifically admitted in their Answers, Respondents Baldauf, Campbell, Genereux, McCabe, ML, Blodget and Young denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested: 1) unspecified compensatory damages; 2) pre and post judgment interest; 3) disgorgement; 4) attorneys' fees; 5) costs; 6) unspecified punitive damages; and, 7) other actual damages.

Respondent ML requested: 1) that all claims be denied; 2) fees and costs; and, 3) such other relief as deemed just.

Respondent Blodget requested: 1) that all claims be dismissed with prejudice; 2) attorneys' fees; 3) costs; and, 4) expungement of all references to the Statement of Claim from his NASD Central Registration Depository ("CRD") record.

Respondent Young requested: 1) that all claims be dismissed; 2) expungement of all references to this matter from his CRD record; 3) costs and expenses; 4) attorneys' fees; and, 5) for such other relief as deemed just.

Respondents Baldauf, Campbell, Genereux and McCabe requested: 1) that the Amended Statement of Claim be dismissed with prejudice; 2) attorneys' fees; and 3) costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Ghachem 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 Panel on all issues submitted.

Respondents ML, Blodget, Baldauf, Campbell, Genereux and McCabe did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

Claimants asserted claims against non-member FAM. The non-member declined to voluntarily submit to the jurisdiction of NASD Dispute Resolution. Therefore, the Panel made no determination with respect to FAM.

On or about December 13, 2004, Claimants dismissed their claims, with prejudice, against the following Respondents: Raj, Campbell, Genereux, Baldauf and McCabe.

On or about January 3, 2005, Claimants dismissed their claims against Respondent Ghachem, without prejudice.

On or about May 11, 2005, the Panel issued an order denying the Motions to Dismiss submitted by Respondents Blodget and Young.

During the evidentiary hearing, Respondents Raj, Blodget and Young submitted Motions for Expungement of this matter from their NASD Central Registration Depository ("CRD") records.

During the evidentiary hearing on May 8, 2007, Claimants Lester and Stogner withdrew their claims, with prejudice.

Claimants S. Whittington and Abell did not attend the evidentiary hearing.

During the evidentiary hearing, Respondents ML, Blodget and Young made an ore tenus motion for a directed verdict which was denied by the Panel.

During the evidentiary hearing, Claimants made an ore tenus motion to introduce the findings and conclusions related to regulatory investigations and resulting settlements, which was denied by the Panel.

On June 12, 2007, the Panel heard oral argument and evidence regarding the expungement requests of Respondents Raj, Blodget and Young.

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.

AWARD

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

Claimants S. Whittington, K. Whittington, Erwin and Abell's claims are denied in their entirety.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Young, Raj and Blodgett's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondents Young, Raj and Blodgett must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact as to Respondents Young, Raj and Blodget:

The registered persons were not involved in the alleged investment-related sales practice violation, forgery, theft, misappropriation, or conversion of funds.

Any and all claims for relief not specifically addressed herein, including claims for punitive damages and attorneys' fees, is denied.

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:

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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, Respondent ML is a party and a member firm.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,200.00</u>
Total Member fees	= \$4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 3 – 14, 2006, adjournment by Claimants	= \$1,000.00
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The Panel assessed \$500.00 of the postponement fee to Claimants, jointly and severally.

The Panel assessed \$500.00 of the postponement fee to Respondents ML, Blodget and Young, jointly and severally.

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:

There were no three-day cancellation fees assessed during these proceedings.

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.

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Two (2) Pre-hearing sessions with one arbitrator @ \$450.00/session= \$ 900.00

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Pre-hearing conferences:	February 23, 2005	1 session
	May 11, 2005	1 session
	June 6, 2006	1 session
	February 21, 2007	1 session

Nineteen (19) Hearing sessions @ \$1,000.00/session = \$19,000.00

Hearing Dates:	February 27, 2007	2 sessions
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	May 7, 2007	2 sessions
	May 8, 2007	2 sessions
	May 9, 2007	3 sessions
	May 10, 2007	2 sessions
	June 12, 2007	1 session

Total Forum Fees	= \$23,900.00
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The Panel has assessed forum fees of \$6,950.00 to Claimants Lester, S. Whittington, K. Whittington, Erwin, Abell and Stogner, jointly and severally, representing one-half of the total forum fees for all pre-hearing conferences and the hearing sessions held in February 2007 and March 2007.

NASD Dispute Resolution
Arbitration No. 04-03071
Award Page 7 of 8

The Panel has assessed forum fees of \$4,500.00 to Claimants S. Whittington, K. Whittington, Erwin and Abell, jointly and severally, representing one-half of the total forum fees for the hearing sessions held in May 2007.

The Panel has assessed forum fees of \$11,450.00 to Respondents ML, Blodget and Young, jointly and severally, representing one-half of the total forum fees for all pre-hearing conferences and the hearing sessions held in February 2007, March 2007 and May 2007.

The Panel has assessed forum fees of \$1,000.00 to Respondents Raj, Blodget and Young, jointly and severally, representing the total forum fees for the hearing session held on June 12, 2007.

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

Claimants Lester, S. Whittington, K. Whittington, Erwin, Abell and Stogner are jointly and severally liable for:

Initial Filing Fee	= \$ 250.00
Adjournment Fees	= \$ 500.00
Forum Fees	= \$ 6,950.00
Total Fees	= \$ 7,700.00
Less payments	= \$ 2,300.00
Balance Due NASD Dispute Resolution	= \$ 5,400.00

Claimants S. Whittington, K. Whittington, Erwin and Abell are jointly and severally liable for:

Forum Fees	= \$4,500.00
Total Fees	= \$4,500.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$4,500.00

Respondent ML is solely liable for:

Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
Less payments	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00

**NASD Dispute Resolution
Arbitration No. 04-03071
Award Page 8 of 8**

Respondents ML, Blodget and Young are jointly and severally liable for:

Adjournment Fees	= \$ 500.00
Forum Fees	= \$11,450.00
Total Fees	= \$11,950.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$11,950.00

Respondents Raj, Blodget and Young are jointly and severally liable for:

Forum Fees	= \$ 1,000.00
Total Fees	= \$ 1,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

ARBITRATION PANEL

Frederick H. Bruce - **Public Arbitrator, Presiding Chairperson**
Dianne B. Elkins - **Public Arbitrator**
John J. Meyer - **Non-Public Arbitrator**

Concurring Arbitrators' Signatures

/s/
Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

June 18, 2007
Signature Date

Dianne B. Elkins
Public Arbitrator

Signature Date

/s/
John J. Meyer
Non-Public Arbitrator

June 15, 2007
Signature Date

June 20, 2007
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution

Arbitration No. 04-03071

Award Page 8 of 8

Respondents ML, Blodget and Young are jointly and severally liable for:

Adjournment Fees	= \$ 500.00
Forum Fees	= \$11,450.00
Total Fees	= \$11,950.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$11,950.00

Respondents Raj, Blodget and Young are jointly and severally liable for:

Forum Fees	= \$ 1,000.00
Total Fees	= \$ 1,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

ARBITRATION PANEL

Frederick H. Bruce	-	Public Arbitrator, Presiding Chairperson
Dianne B. Elkins	-	Public Arbitrator
John J. Meyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

6/18/07
Signature Date

Dianne B. Elkins
Public Arbitrator

Signature Date

John J. Meyer
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution
Arbitration No. 04-03071
Award Page 8 of 8

Respondents ML, Blodget and Young are jointly and severally liable for:

Adjournment Fees	= \$ 500.00
Forum Fees	= \$11,450.00
Total Fees	= \$11,950.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$11,950.00

Respondents Raj, Blodget and Young are jointly and severally liable for:

Forum Fees	= \$ 1,000.00
Total Fees	= \$ 1,000.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

ARBITRATION PANEL

Frederick H. Bruce	-	Public Arbitrator, Presiding Chairperson
Dianne B. Elkins	-	Public Arbitrator
John J. Meyer	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Frederick H. Bruce
Public Arbitrator, Presiding Chairperson

Signature Date

Dianne B. Elkins
Public Arbitrator

Signature Date



John J. Meyer
Non-Public Arbitrator

6-15-2007

Signature Date

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