

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 00-04804

Merrill Anne Carlson

Name of the Respondents

Hearing Site: Charlotte, North Carolina

Merrill Lynch, Pierce, Fenner & Smith, Inc.,
David Nathaniel Vaughan,
Milton Hughes Bates, Jr., and
Steven Ray Hill

REPRESENTATION OF PARTIES

Claimant Merrill Anne Carlson, hereinafter referred to as "Claimant", was represented by Michael E. Easterday, Esq., Attorney at Law, Greenville, South Carolina.

Respondents Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch"), David Nathaniel Vaughan ("Vaughan"), Milton Hughes Bates, Jr. ("Bates"), and Steven Ray Hill ("Hill"), hereinafter collectively referred to as "Respondents", were represented by T. Jonathan Adams, Esq., Hamilton Gaskins Fay & Moon PLLC, Charlotte, North Carolina.

CASE INFORMATION

Statement of Claim filed on December 5, 2000.

Claimant signed the Uniform Submission Agreement on October 17, 2000.

Statement of Answer filed by Respondents on March 12, 2001.

Respondent Hill signed the Uniform Submission Agreement on February 15, 2001.

Respondent Vaughan signed the Uniform Submission Agreement on January 11, 2001.

Respondent Bates signed the Uniform Submission Agreement on January 19, 2001.

A representative of Respondent Merrill Lynch executed the Uniform Submission Agreement on March 12, 2001.

Respondents filed their Motion for Summary Disposition on April 15, 2002.

Claimant's Reply to Respondents' Motion for Summary Disposition was filed on April 29, 2002.

Claimant filed her Motion to Amend the Statement of Claim on July 25, 2002.

CASE SUMMARY

Claimant asserted the following causes of action, among others: suitability and breach of fiduciary duty. The causes of action relate to sale of Winn-Dixie and Texaco stock.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim upon which

relief may be granted; estoppel; waiver; Claimant acted with full knowledge of the facts and approved the actions taken by Respondents; Respondents acted in good faith; Statute of Limitation; all transactions were conducted in accordance with all applicable Exchange rules and regulations; laches; Claimant did not suffer any damages; and, Claimant's claim is not eligible for arbitration.

RELIEF REQUESTED

Claimant in her Statement of Claim requested:

Compensatory Damages	amount unspecified
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested that the Statement of Claim be denied in all respects; that all fees and costs be assessed against Claimant; that Respondents be awarded such other and further relief as is deemed just and proper; and, that Respondents Hill, Bates and Vaughan's CRD records be expunged.

OTHER ISSUES CONSIDERED AND DECIDED

On August 8, 2002, the Panel denied Claimant's Motion to Amend the Statement of Claim.

On May 3, 2002, the Panel denied Respondent's Motion for Summary Disposition.

At the hearing, Respondent made a Motion to Dismiss, which was denied by the Panel.

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:

1. All claims against Respondents are denied in their entirety;
2. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$ 250.00

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, Respondent Merrill Lynch is a party.

Member surcharge = \$ 1,200.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 2,000.00

Total Member Fees = \$ 3,800.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were waived:

April 17-19, 2002 adjournment by Claimant = fee waived

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: January 31, 2002 1 session

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

Pre-hearing conferences: June 11, 2001 1 session

January 4, 2002 1 session

April 5, 2002 1 session

April 29, 2002 1 session

Twelve (12) Hearing sessions @ \$ 1,000.00 = \$ 12,000.00

Hearing Dates: August 19, 2002 2 sessions

August 20, 2002 2 sessions

August 21, 2002 2 sessions

November 19, 2002 2 sessions

November 20, 2002 2 sessions

November 21, 2002 2 sessions

Total Forum Fees = \$ 16,450.00

1. The Panel has assessed \$8,725.00 of the forum fees to Claimant.
2. The Panel has assessed \$7,725.00 of the forum fees to Respondent Merrill Lynch.

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.

1. Claimant requested copies of 10 tapes = \$ 150.00
2. Respondent Merrill Lynch requested copies of 10 tapes = \$ 150.00

FEE SUMMARY

1. Claimant is assessed the following fees:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$ 8,725.00
<u>Administrative Costs</u>	= \$ 150.00
Total Fees	= \$ 9,125.00
<u>Less payments</u>	= \$ 1,400.00
Balance Due NASD Dispute Resolution	= \$ 7,725.00
2. Respondent is assessed the following fees:

Member Fees	= \$ 3,800.00
Forum Fees	= \$ 7,725.00
<u>Administrative Costs</u>	= \$ 150.00
Total Fees	= \$ 11,675.00
<u>Less payments</u>	= \$ 3,950.00
Balance Due NASD Dispute Resolution	= \$ 7,725.00

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

ARBITRATION PANEL

Simone Sicola	-	Public Arbitrator, Presiding Chairperson
Dennis W. Good	-	Public Arbitrator, Panelist
Debbi A. Prince	-	Non-Public Arbitrator, Panelist

NASD Dispute Resolution
Arbitration No. 00-04804
Award Page 1

Concurring Arbitrators' Signatures

Simone Sicola
Public Arbitrator, Presiding Chairperson



Signature Date

Dennis W. Good
Public Arbitrator, Panelist

Signature Date

Debbi A. Prince
Non-Public Arbitrator, Panelist

Signature Date

December 26, 2002
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Simone Sicola
Public Arbitrator, Presiding Chairperson

Signature Date

Dennis W. Good
Dennis W. Good
Public Arbitrator, Panelist

12-18-02
Signature Date

Debbi A. Prince
Non-Public Arbitrator, Panelist

Signature Date

December 26, 2002
Date of Service (For NASD Dispute Resolution office use only)

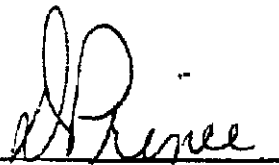
Concurring Arbitrators' Signatures

Simone Sicola
Public Arbitrator, Presiding Chairperson


Signature Date

Dennis W. Good
Public Arbitrator, Panelist

Signature Date



Debbi A. Prince
Non-Public Arbitrator, Panelist



Signature Date



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