

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Dennis Schuetzle Trustee,
Dennis Schuetzle Trust U/A Dtd 06/27/1990,
by Dennis Schuetzle,

Claimant and Counter Respondent

v.

00-05507
Troy, Michigan

Merrill Lynch Pierce Fenner & Smith, Inc.
Edward A. Sui,

Respondents, Counter Claimants,
and Third Party Claimants

v.

Judith Schuetzle,

Third Party Respondent

REPRESENTATION OF PARTIES

Dennis Schuetzle Trustee, Dennis Schuetzle Trust U/A Dtd 06/27/1990, by Dennis Schuetzle, hereinafter referred to as Dennis Schuetzle or "Claimant" and Judith Schuetzle, hereinafter referred to as "Third Party Respondent" were represented by Walter L. Baumgardner, Esq., Musilli, Baumgardner, Wagner & Parnell, St. Clair Shores, Michigan.

Merrill Lynch Pierce Fenner & Smith, Inc. ("MLPFS") and Edward A. Sui ("Sui"), hereinafter referred to as "Respondents, Counter Claimants and Third Party Claimants" were represented by Clarence L. Pozza, Esq., Miller Canfield, Detroit, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about January 17, 2001. The Submission Agreement of Claimant Dennis Schuetzle Trustee, Dennis Schuetzle Trust U/A Dtd 06/27/1990, was signed on or about December 15, 2000, by Dennis Schuetzle. Response to Counter Claim and Third-Party Claim was filed on or about May 8, 2001.

Claimant demanded entry of Default against Defendants on or about March 5, 2001. Respondents responded on or about April 13, 2001.

Statement of Answer, Affirmative Defenses, Counterclaim and Third Party Claim was filed by Respondents Merrill Lynch Pierce Fenner & Smith, Inc. and Edward A. Sui on or about March 9, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: negligence, violation of Regulation T, and violation of Merrill Lynch procedures. The causes of action relate to the sale of Intel and Sun Microsystems. Counter-Respondent and Third-Party Respondent denied the allegations made in the Counterclaim and Third Party Claim.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the affirmative defenses including the following: failure to state a claim, release, discharge and satisfaction, estoppel, comparative negligence, misrepresentation. Respondents filed a Counterclaim against Dennis Schuetzle for failure to repay a debit balance. Respondents filed a Third Party Claim against Judith Schuetzle for contribution, indemnity and reimbursement for the actions, negligence, misrepresentations.

RELIEF REQUESTED

Claimant requested an award in the amount of \$49,400.00, plus credit interest of 6.5%, and any remaining stock dividends in the account plus interest, and that any debit balance be extinguished. Claimant/Counter-Respondent and Third Party Respondent requested that the Counterclaim and Third Party Claim be dismissed and that they be awarded costs, fees and attorneys fees.

Respondent MLPFS requested that it be awarded the sum of \$21,749.50 against Dennis Schuetzle, plus interest and costs of collection, and that the panel order the expungement of any and all references to the above-captioned claim from Respondent Sui's registration records, as well as any further relief as the panel deem just. Respondent MLPFS requested that it be awarded the sum of \$21,749.50 against Judith Schuetzle, plus interest and costs of collection. Respondents also requested an award against Judith Schuetzle for any amount which claimant may be awarded against Respondents.

OTHER ISSUES CONSIDERED & DECIDED

Respondents Merrill Lynch Pierce Fenner & Smith, Inc. and Edward A. Sui did not file with the NASD Dispute Resolution, Inc. properly executed submissions to arbitration but are required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing are bound by the determination of the arbitration panel on all issues submitted.

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(s) remain on file with the NASD Dispute Resolution, Inc. (the "NASD").

AWARD

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

- 1.) Respondent Merrill Lynch Pierce Fenner & Smith, Inc. is solely liable for and shall pay to Claimant, Dennis Schuetzle Trustee, Dennis Schuetzle Trust U/A Dtd 06/27/1990, the sum of \$27,650.50 in compensatory damages;
- 2.) The Counterclaim and Third Party Claim of Respondents Merrill Lynch Pierce Fenner & Smith, Inc. and Edward Sui are dismissed with prejudice;
- 3.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 4.) That any relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 175.00
Counterclaim/Third Party Claim filing fee	= \$1,000.00

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. In this matter, the member firm is Merrill Lynch Pierce Fenner & Smith, Inc.

Member surcharge	= \$ 800.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,000.00

Adjournment Fees

Adjournments requested during these proceedings:

April 10-11, 2002, adjournment by MLPFS = \$ 600.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 Panel x \$600.00 = \$ 600.00
Pre-hearing conference: July 26, 2001 1 session

Two (2) Hearing sessions x \$600.00 = \$1,200.00
Hearing Date: May 10, 2002 2 sessions

Total Forum Fees = \$1,800.00

The Arbitration Panel has assessed \$450.00 of the forum fees to Dennis Schuetzle.
The Arbitration Panel has assessed \$450.00 of the forum fees to MLPFS.
The Arbitration Panel has assessed \$450.00 of the forum fees to Edward A. Sui.
The Arbitration Panel has assessed \$450.00 of the forum fees to Judith Schuetzle.

Fee Summary

Claimant, Dennis Schuetzle Trustee, Dennis Schuetzle Trust U/A Dtd 06/27/1990, is liable for:

Initial Filing Fee	= \$ 175.00
Forum Fees	= \$ 450.00
Total Fees	= \$ 625.00
Less payments	= \$ 625.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent, Merrill Lynch Pierce Fenner & Smith, Inc., is liable for:

Type Filing Fee	= \$ 1,000.00
Member Fees	= \$ 2,400.00
Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 450.00
Total Fees	= \$ 4,450.00
Less payments	= \$ 4,450.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent Edward A. Sui is solely liable for:

Forum Fee	= \$	450.00
Total Fees	= \$	450.00
Less payments	= \$	350.00
Balance Due NASD Dispute Resolution, Inc.	= \$	100.00

Third Party Respondent Judith Schuetzle is solely liable for:

Forum Fee	= \$	450.00
Total Fees	= \$	450.00
Less payments	= \$	150.00
Balance Due NASD Dispute Resolution, Inc.	= \$	300.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

James L. Karpen - Public Arbitrator, Presiding Chair
Walter H. Clements, Esq. - Public Arbitrator
Stuart M. Egrin - Non-Public Arbitrator

Concurring Arbitrators:

/s/ James L. Karpen
James L. Karpen
Public Arbitrator, Presiding Chair

05/22/02
Signature Date

/s/ Walter H. Clements
Walter H. Clements, Esq.
Public Arbitrator

05/22/02
Signature Date

/s/ Stuart M. Egrin
Stuart M. Egrin
Non-Public Arbitrator

05/22/02
Signature Date

05/22/02
Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 00-05507
Award Page 5 of 5

Respondent Edward A. Sui is solely liable for:

Forum Fee	= \$	450.00
Total Fees	= \$	450.00
Less payments	= \$	350.00
Balance Due NASD Dispute Resolution, Inc.	= \$	100.00

Third Party Respondent Judith Schuetzle is solely liable for:

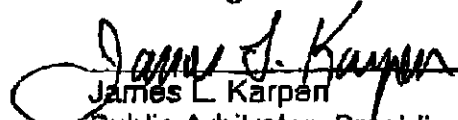
Forum Fee	= \$	450.00
Total Fees	= \$	450.00
Less payments	= \$	150.00
Balance Due NASD Dispute Resolution, Inc.	= \$	300.00

All balances are due to NASD Dispute Resolution, Inc.

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Walter H. Clements, Esq. - Public Arbitrator
Stuart M. Egrin - Non-Public Arbitrator

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Public Arbitrator, Presiding Chair

5-22-02
Signature Date

Walter H. Clements, Esq.
Public Arbitrator

Signature Date

Stuart M. Egrin
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 00-05507
Award Page 5 of 5

Respondent Edward A. Sui is solely liable for:

Forum Fee	= \$ 450.00
Total Fees	= \$ 450.00
Less payments	= \$ 350.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 100.00

Third Party Respondent Judith Schuetzle is solely liable for:

Forum Fee	= \$ 450.00
Total Fees	= \$ 450.00
Less payments	= \$ 150.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 300.00

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James L. Karpen
Public Arbitrator, Presiding Chair


Walter H. Clements, Esq.
Public Arbitrator

Stuart M. Egrin
Non-Public Arbitrator

Signature Date

5-22-02
Signature Date

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 00-05607
Award Page 5 of 5

Respondent Edward A. Sui is solely liable for:

Forum Fee	= \$ 450.00
Total Fees	= \$ 450.00
Less payments	= \$ 350.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 100.00

Third Party Respondent Judith Schuetzle is solely liable for:

Forum Fee	= \$ 450.00
Total Fees	= \$ 450.00
Less payments	= \$ 150.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 300.00

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Walter H. Clements, Esq. - Public Arbitrator
Stuart M. Egrin - Non-Public Arbitrator

Concurring Arbitrators:

James L. Karpen
Public Arbitrator, Presiding Chair

Signature Date

Walter H. Clements, Esq.
Public Arbitrator

Signature Date

Stuart M. Egrin

Stuart M. Egrin
Non-Public Arbitrator

5-22-02

Signature Date

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