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**Corrected Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

**John M. and Beverly A. Gronvall,**  
Claimants

Vs.

**Merrill Lynch Pierce Fenner & Smith, Inc.,**  
**Robert E. Thompson, and**  
**Robert T. Wright, Jr.,**  
Respondents.

Case Number: 01-00742

Hearing Site: Cleveland, Ohio

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**REPRESENTATION OF PARTIES**

Douglas A. Kutsko, Esquire, of Brian P. Biggins & Associates, Rocky River, Ohio, represented Claimants John M. and Beverly A. Gronvall ("the Gronvalls"), hereinafter referred to as "Claimants".

Respondents Merrill Lynch Pierce Fenner & Smith, Inc. ("Merrill Lynch"), Robert E. Thompson ("Thompson") and Robert T. Wright, Jr. ("Wright"), hereinafter referred to as "Respondents," were represented by Stephen M. Bales, Esquire, of Ziegler, Metzger & Miller, LLP, Cleveland, Ohio.

**CASE INFORMATION**

The Statement of Claim was filed on or about February 14, 2001.

Both Claimants signed the Uniform Submission Agreement on February 17, 2001.

Respondents Merrill Lynch, Thompson and Wright, filed their joint Statement of Answer on or about April 30, 2001.

A representative of Merrill Lynch signed the Uniform Submission Agreement on April 26, 2001.

Thompson signed the Uniform Submission Agreement on March 8, 2001.

Wright signed the Uniform Submission Agreement on February 27, 2001.

### **CASE SUMMARY**

Claimants asserted the following causes of action: negligence, breach of contract, breach of fiduciary duty, respondeat superior liability, failure to supervise and unauthorized trading. The allegations involved transactions in the following common stock: PurchasePro.Com, Inc. ("PPRO").

Unless specifically admitted in their joint Statement of Answer, Respondents denied all allegations set forth in the Statement of Claim and asserted the following affirmative defenses: failure to state a cause of action, estoppel, waiver, ratification, violation of applicable statute of limitations, laches, contributory and/or comparative negligence and failure to mitigate.

### **RELIEF REQUESTED**

Claimants requested the following relief:

Compensatory Damages

\$100,000.00

Claimants also requested costs and attorney's fees.

Respondents requested that the Statement of Claim be dismissed in its entirety, that they be awarded costs and fees, and that any and all references to the arbitration be expunged from the records of Robert E. Thompson and Robert T. Wright, Jr., as maintained by the NASD Central Registration Depository ("CRD").

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about April 30, 2001, Respondent Wright filed a Motion to be Removed as a Party. Claimants filed a Brief in Opposition to the Motion on or about May 4, 2001. On or about August 24, 2001, the undersigned Panel denied the Motion.

At the hearing, the Panel was informed that Respondent Wright had been dismissed from the arbitration by agreement of the parties. Accordingly, the undersigned Panel awards no relief as against Respondent Robert T. Wright, Jr.



**Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member Surcharge	= \$1,000.00
Pre-hearing Process Fee	= \$ 600.00
Hearing Process Fee	= \$1,500.00

**Forum Fees and Assessments**

The Panel has the authority to assess 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 Panel that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with single arbitrator x \$450	= \$ 450.00
Pre-hearing conference: October 30, 2001 1 session	
One (1) Pre-hearing session with Panel x \$750	= \$ 750.00
Pre-hearing conference: July 25, 2001 1 session	
Four (4) Hearing sessions x \$750	= \$3,000.00
Hearing Dates: December 18, 2001 2 sessions	
December 19, 2001 2 sessions	
Total Forum Fees	= \$4,200.00

The Panel has assessed all forum fees solely to Respondent Merrill Lynch Pierce Fenner & Smith, Inc.

**FEE SUMMARY**

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 975.00
Refund Due from NASD Dispute Resolution, Inc.	= \$ 750.00

## NASD-DIR Award

John M. and Beverly A. Gronvall vs. Merrill Lynch Pierce Fenner &amp; Smith, Inc., et al

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2. Respondent Merrill Lynch Pierce Fenner &amp; Smith, Inc., is solely liable for:

Forum Fees	= \$4,200.00
<u>Member Fees</u>	<u>= \$3,100.00</u>
Total Fees	= \$7,300.00
<u>Less payments</u>	<u>= \$4,300.00</u>
Balance Due to NASD Dispute Resolution, Inc.	= \$3,000.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Michael L. King	-	Public Arbitrator, Presiding Chair
Thomas H. Barnard, Jr., Esq.	-	Public Arbitrator
Blanca E. Ortiz	-	Non-Public Arbitrator

Michael L. King  
Michael L. King  
Chairperson

February 5, 2002  
Signature Date

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Thomas H. Barnard, Jr., Esq.  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Blanca E. Ortiz  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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

## NASD-DR Award

John M. and Beverly A. Gronvall vs. Merrill Lynch Pierce Fenner & Smith, Inc., et al  
Arbitration # 01-00742

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Total Fees	= \$7,300.00
Less payments	= \$4,300.00
Balance Due to NASD Dispute Resolution, Inc.	= \$3,000.00

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ARBITRATION PANEL

Michael L. King	-	Public Arbitrator, Presiding Chair
Thomas H. Barnard, Jr., Esq.	-	Public Arbitrator
Blanca E. Ortiz	-	Non-Public Arbitrator

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 Michael L. King  
 Chairperson

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 Thomas H. Barnard, Jr., Esq.  
 Public Arbitrator

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 Signature Date

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 2/5/02  
 Signature Date

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 Blanca E. Ortiz  
 Non-Public Arbitrator

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 Signature Date

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

Attn: ~~SETTLED~~ DEAN

## NASD-DIR Award

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Thomas H. Barnard, Jr., Esq.	-	Public Arbitrator
Blanca E. Ortiz	-	Non-Public Arbitrator

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Michael L. King  
Chairperson

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Signature Date

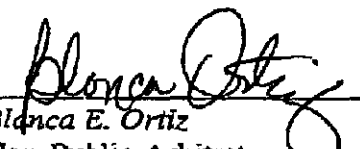
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Thomas H. Barnard, Jr., Esq.  
Public Arbitrator

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Signature Date

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Blanca E. Ortiz  
Non-Public Arbitrator

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2-6-02  
Signature Date

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