

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Karen Hohlfelder (Claimant) v. Merrill Lynch, Pierce, Fenner & Smith, Inc.

Case Number: 02-06771

Hearing Site: Cleveland, Ohio

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant Karen Hohlfelder ("Hohlfelder") hereinafter referred to as "Claimant":
Douglas A. Kutsko, Esq., Brian P. Biggins & Associates Company, L.P.A., Rocky River,
OH.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. ("MLPFS") hereinafter referred
to as "Respondent": Edwin A. Zipf, Esq., Bressler, Amery & Ross, P.C., Morristown,
NJ.

CASE INFORMATION

Statement of Claim filed on or about: November 7, 2002.
Claimant signed the Uniform Submission Agreement.

Statement of Answer filed by Respondent on or about: February 10, 2003.
Respondent did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; breach of contract; breach
of fiduciary duty; respondeat superior; failure to supervise; and suitability. Claimant's
claims involved unspecified technology stocks.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the
Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested damages in the amount of \$99,999.99; punitive damages; attorneys'
fees (ORC sec 1343.03); costs; and any other remedy the Panel deems just and equitable.

Respondent requested that the Claimant's Statement of Claim be dismissed with
prejudice in its entirety, that the costs of the arbitration be assessed against Claimant, and

that the Panel award such other relief as it may deem appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent 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, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the 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.

AWARD

After considering the pleadings, and 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. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$68,187.00.
2. Respondent is liable for and shall pay to Claimant attorneys' fees in the amount of \$40,000.00 in accordance with ORC §1343.03.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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	= \$225.00
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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, Merrill Lynch, Pierce, Fenner & Smith, Inc. is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with Panel @ \$750.00 = \$1,500.00

Pre-hearing conferences: May 16, 2003 1 session
November 14, 2003 1 session

Eight (8) Hearing sessions @ \$750.00 = \$6,000.00

Hearing Dates: November 4, 2003 2 sessions
November 5, 2003 2 sessions
November 6, 2003 2 sessions
January 21, 2004 2 sessions

Total Forum Fees = \$7,500.00

1. The Panel has assessed \$7,500.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

<u>Initial Filing Fee</u>	= \$ 225.00
<u>Total Fees</u>	= \$ 225.00
<u>Less payments</u>	= \$ 975.00
<u>Refund Due</u>	= \$ 750.00

2. Respondent is solely liable for:

<u>Member Fees</u>	= \$ 3,550.00
<u>Forum Fees</u>	= \$ 7,500.00
<u>Total Fees</u>	= \$11,050.00
<u>Less payments</u>	= \$ 5,250.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 5,800.00

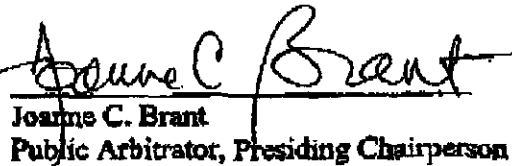
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Joanne C. Brant	-	Public Arbitrator, Presiding Chair
Scott M. Shubert	-	Public Arbitrator
Robert Shiffra, Esq.	-	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.


Joanne C. Brant
Public Arbitrator, Presiding Chairperson

2/5/04
Signature Date

Scott M. Shubert
Public Arbitrator

Signature Date

Robert Shiffra, Esq.
Non-Public Arbitrator

Signature Date

February 06, 2004

Date of Service (For NASD Dispute Resolution use only)

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Scott M. Shubert	-	Public Arbitrator
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Joanne C. Brant
Public Arbitrator, Presiding Chairperson

Signature Date



Scott M. Shubert
Public Arbitrator

2/5/2004

Signature Date

Robert Shiffra, Esq.
Non-Public Arbitrator

Signature Date

February 06, 2004
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