
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 02-06941

Paul and Judith Keiser as
Joint Tenants with Rights of Survivorship,
Paul Keiser as Trustee of the Paul Keiser IRA,
and Judith Keiser as Trustee of the Judith Keiser IRA

Names of the Respondents

Hearing Site: Boca Raton, Florida

Merrill Lynch, Pierce, Fenner & Smith, Inc.
Peter Black

Nature of Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Paul and Judith Keiser as Joint Tenants with Rights of Survivorship ("Joint Account"), Paul Keiser as Trustee of the Paul Keiser IRA ("P. Keiser IRA") and Judith Keiser as Trustee of the Judith Keiser IRA ("J. Keiser IRA"), hereinafter collectively referred to as "Claimants": Alan Foxman, Esq., The Law Offices of Alan J. Foxman, P.A., Boca Raton, Florida.

For Merrill Lynch, Pierce, Fenner & Smith, Inc. ("MLPFS") and Peter Black ("Black"), hereinafter collectively referred to as "Respondents": Edwin A. Zipf, Esq. and Brian D. Donnelly, Esq., Bressler, Amery & Ross, P.C., Florham Park, New Jersey.

CASE INFORMATION

Statement of Claim filed on or about: November 18, 2002.

Claimants signed the Uniform Submission Agreement on: July 24, 2002.

Statement of Answer filed by Respondents on or about: February 10, 2003.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimants alleged the following causes of action: 1) breach of contract; 2) unsuitability; 3) fraud; 4) misrepresentation; and 5) negligence. The causes of action relate to investments in shares of equity stock, including but not limited to, Tyco, Lucent, Cisco and Oracle.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested: 1) compensatory damages in the amount of \$165,249.00; 2) interest; 3) costs; and 4) attorneys' fees.

Respondents requested: 1) dismissal of Claimants' Statement of Claim with prejudice in its entirety; 2) that the costs of the arbitration proceeding be assessed against Claimants; 3) expungement of Respondent Black's record maintained by NASD Central Registration Depository ("CRD"); and 4) that the undersigned arbitrators (the "Panel") award such other relief as it may deem appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents MLPFS and Black did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

On or about October 27, 2004, Claimants and Respondents notified NASD Dispute Resolution that the parties had reached a settlement in this arbitration proceeding.

On or about February 25, 2005, Respondents notified NASD Dispute Resolution that a proposed Stipulated Award would be jointly submitted by the parties. On or about March 3, 2005, the parties filed with NASD Dispute Resolution a proposed Stipulated Award.

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

AWARD

After considering the pleadings and the parties' request for the entry of a Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents MLPFS and Black are dismissed, with prejudice. Claimants and Respondents have entered into a confidential settlement agreement, which shall be complied with by the parties.
2. The Panel recommends expungement of all references to the above captioned arbitration proceeding from Respondent Black's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Black must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. All parties will bear their own costs and expenses associated with the above referenced arbitration

proceeding.

4. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 300.00

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. Accordingly, Respondent MLPFS is a member firm and a party.

Member surcharge = \$1,700.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$2,750.00

Total Member Fees = \$5,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 5, 6 and 7, 2004, adjournment by Respondent MLPFS = \$1,125.00

The Panel has assessed adjournment fees in the amount of \$1,125.00 as follows:

\$225.00 to Claimant Joint Account.

\$225.00 to Claimant P. Keiser IRA.

\$225.00 to Claimant J. Keiser IRA.

\$225.00 to Respondent MLPFS.

\$225.00 to Respondent Black.

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:

The Panel has assessed a three-day cancellation fee of \$300.00 as follows:

\$60.00 to Claimant Joint Account.

\$60.00 to Claimant P. Keiser IRA.

\$60.00 to Claimant J. Keiser IRA.

\$60.00 to Respondent MLPFS.

\$60.00 to Respondent Black.

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. 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:

One (1) Pre-hearing session with Panel @ \$ 1,125.00 per session	= \$1,125.00
Pre-hearing conference: July 8, 2003 1 session	
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Total Fees	= \$1,125.00

The Panel has assessed forum fees in the amount of \$1,125.00 as follows:

\$225.00 to Claimant Joint Account.
\$225.00 to Claimant P. Keiser IRA.
\$225.00 to Claimant J. Keiser IRA.
\$225.00 to Respondent MLPFS.
\$225.00 to Respondent Black.

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 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 are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
<u>Retained Hearing Session Deposit pursuant to Rule 10332(f) of the Code</u>	= \$ 450.00
Total Fees	= \$ 750.00
<u>Less payments</u>	= \$ 750.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Claimant Joint Account is solely liable for:

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Forum Fees	= \$ 225.00
Adjournment Fees	= \$ 225.00
<u>Three Day Cancellation Fees</u>	= \$ 60.00
Total Fees	= \$ 510.00
<u>Less payments</u>	= \$ 225.00
Balance Due NASD Dispute Resolution	= \$ 285.00

Claimant P. Keiser IRA is solely liable for:

Forum Fees	= \$ 225.00
Adjournment Fees	= \$ 225.00
<u>Three Day Cancellation Fees</u>	= \$ 60.00
Total Fees	= \$ 510.00
<u>Less payments</u>	= \$ 225.00
Balance Due NASD Dispute Resolution	= \$ 285.00

Claimant J. Keiser IRA is solely liable for:

Forum Fees	= \$ 225.00
Adjournment Fees	= \$ 225.00
<u>Three Day Cancellation Fees</u>	= \$ 60.00
Total Fees	= \$ 510.00
<u>Less payments</u>	= \$ 225.00
Balance Due NASD Dispute Resolution	= \$ 285.00

Respondent MLPFS is solely liable for:

Member Fees	= \$5,200.00
Adjournment Fees	= \$ 225.00
Forum Fees	= \$ 225.00
<u>Three Day Cancellation Fees</u>	= \$ 60.00
Total Fees	= \$5,710.00
<u>Less payments</u>	= \$5,710.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Black is solely liable for:

Forum Fees	= \$ 225.00
Adjournment Fees	= \$ 225.00
<u>Three Day Cancellation Fees</u>	= \$ 60.00
Total Fees	= \$ 510.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 510.00

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

ARBITRATION PANEL

<i>Milton Herson</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Cornelius P. Mahon</i>	-	<i>Public Arbitrator</i>
<i>Mark Sidell</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

_____/s/_____
Milton Herson
Public Arbitrator, Presiding Chairperson

4/1/2005
Signature Date

_____/s/_____
Cornelius P. Mahon
Public Arbitrator

3/31/2005
Signature Date

_____/s/_____
Mark Sidell
Non-Public Arbitrator

4/5/2005
Signature Date

4/12/2005
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

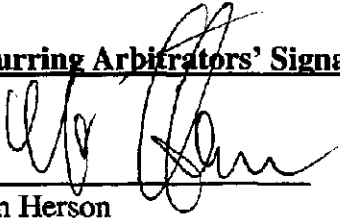
Milton Herson

Cornelius P. Mahon

Mark Sidell

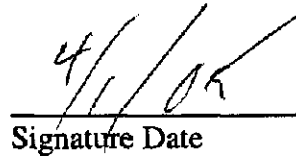
- *Public Arbitrator, Presiding Chairperson*
- *Public Arbitrator*
- *Non-Public Arbitrator*

Concurring Arbitrators' Signatures



Milton Herson

Public Arbitrator, Presiding Chairperson



Signature Date

Cornelius P. Mahon

Public Arbitrator

Signature Date

Mark Sidell

Non-Public Arbitrator

Signature Date

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

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- *Public Arbitrator*
- *Non-Public Arbitrator*

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Public Arbitrator, Presiding Chairperson

Signature Date



Cornelius P. Mahon

Public Arbitrator



Signature Date

Mark Sidell

Non-Public Arbitrator

Signature Date

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Cornelius P. Mahon
Mark Sidell

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- *Public Arbitrator*
- *Non-Public Arbitrator*

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Milton Herson
Public Arbitrator, Presiding Chairperson

Signature Date

Cornelius P. Mahon
Public Arbitrator

Signature Date


Mark Sidell
Non-Public Arbitrator


Signature Date

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