

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Mary Beth Bisselle

Case Number: 02-07670

Names of the Respondents
Merrill Lynch, Pierce, Fenner & Smith, Inc.
Ernestine B. Hesseltine

Hearing Site: Washington, D.C.

Nature of the Dispute: Customer v. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant, Mary Beth Bisselle, hereinafter referred to as "Claimant", was represented by John P. Connolly, Esq., Attorney at Law, Alexandria, Virginia.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") and Ernest B. Hesseltine ("Hesseltine"), hereinafter collectively referred to as "Respondents", were represented by Ira L. Oring, Esq., Fedder & Garten, P.A., Baltimore, Maryland.

CASE INFORMATION

Statement of Claim filed on December 20, 2002.

Claimant signed the Uniform Submission Agreement on December 16, 2002.

Statement of Answer filed by Respondents on March 11, 2003.

A representative of Respondent Merrill Lynch signed the Uniform Submission Agreement on March 14, 2003.

Respondent Hesseltine signed the Uniform Submission Agreement on March 18, 2003.

CASE SUMMARY

Claimant, in the Statement of Claim, asserted the following causes of action, among others: breach of fiduciary duty, breach of contract, violation of federal and state securities laws, violation of NASD Rules of Fair Practice, fraud, and deceit. The causes of action relate to the purchase and sale of various unspecified securities.

Unless specifically admitted in their Statement of Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: Claimant's claims are barred by the doctrines of estoppel, laches, ratification, and waiver; contributory negligence; assumption of the risk; Claimant's claims are barred by the statute of limitations; failure to mitigate damages; and, failure to state a claim upon which relief may be granted.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 410,000.00
Punitive Damages	\$ 350,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the Statement of Claim be dismissed, that they be awarded all costs and forum fees in connection with the arbitration, and that the Arbitration Panel (the "Panel") order the expungement of all reference to this matter from Respondent Hesseltine's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the parties fully and finally settled all claims by and between them. Therefore, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That the parties have amenablely resolved their differences and have requested this Stipulated Award;
2. That Claimant has dismissed all claims with prejudice against Respondents;
3. That the Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Hesseltine's registration records maintained by the CRD with the understanding that, pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Hesseltine must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
4. That each party shall bear its own costs and expenses, including attorneys' fees, except as Fees are specifically addressed below; and,
5. That 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 = \$ 375.00

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 Merrill Lynch is a party.

Member surcharge = \$ 2,250.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 4,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 @ \$ 1,200.00 = \$ 1,200.00

Pre-hearing conference: December 18, 2003 1 session

Total Forum Fees = \$ 1,200.00

1. The Panel has assessed \$ 600.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants are assessed and shall pay:

Initial Filing Fee = \$ 375.00

Forum Fees = \$ 600.00

Total Fees = \$ 975.00

Less payments = \$ 1,575.00

Balance = \$ 600.00

Less Remainder of Hearing Session Deposit Retained Pursuant to
NASD Code of Arbitration Rule 10332f = \$ 600.00

Balance Due NASD Dispute Resolution = \$ 0.00

2. Respondent Merrill Lynch is assessed and shall pay:

Member Fees = \$ 7,000.00

Total Fees = \$ 7,000.00

Less payments = \$ 7,000.00

Balance Due NASD Dispute Resolution = \$ 0.00

3. Respondents are jointly and severally assessed and shall pay:

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
<u>Less Payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

Maurice R. Dunie, Esq.	-	Public Arbitrator, Presiding Chairperson
Herbert B. Williams	-	Public Arbitrator, Panelist
Wendie L. Wachtel	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Maurice R. Dunie, Esq.
Public Arbitrator, Presiding Chairperson

10/02/04
Signature Date

Herbert B. Williams
Public Arbitrator, Panelist

Signature Date

Wendie L. Wachtel
Non-Public Arbitrator, Panelist


Signature Date

October 21, 2004
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Maurice R. Dunie, Esq.
Public Arbitrator, Presiding Chairperson

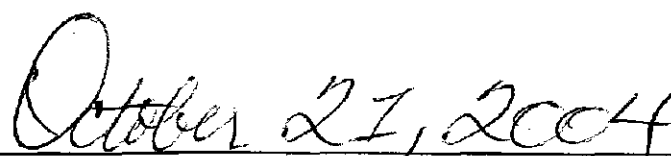
Signature Date


Herbert B. Williams
Public Arbitrator, Panelist

10/4/04
Signature Date

Wendie L. Wachtel
Non-Public Arbitrator, Panelist

Signature Date


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Concurring Arbitrators' Signatures

Maurice R. Dunio, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date:

Herbert B. Williams
Public Arbitrator, Panelist

Signature Date

Wendie L. Wachtel

Wendie L. Wachtel
Non-Public Arbitrator, Panelist

Oct 8, 2004

Signature Date

October 21, 2004

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