
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Billy and Gloria Williamson
Billy D. Williamson IRA

Case Number: 03-01242

Name of the Respondent

Merrill Lynch, Pierce, Fenner & Smith, Inc.

Hearing Site: New Orleans, Louisiana

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Billy and Gloria Williamson and Billy D. Williamson IRA, hereinafter collectively referred to as "Claimants": Charles M. Thompson, Esq., Charles M. Thompson & Associates, P.C., Birmingham, Alabama.

For Merrill Lynch, Pierce, Fenner & Smith Inc. ("MLPFS"), hereinafter referred to as "Respondent": George C. Freeman, III, Esq., Barrasso Usdin Kupperman Freeman & Sarver, L.L.C., New Orleans, Louisiana.

CASE INFORMATION

Statement of Claim filed on or about: February 20, 2003.

Claimants signed the Uniform Submission Agreement: March 11, 2003.

Statement of Answer filed by Respondent on or about: May 20, 2003.

Respondent signed the Uniform Submission Agreement: December 11, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; unsuitable investments; breach of contract; fraud; failure to supervise; violation of NASD and NYSE rules and regulations; and, violation of sections 12(2) and 15 of the Securities Act of 1933. The causes of action relate to managed-money accounts Claimants held with Respondent.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$211,978.00, punitive damages, attorneys' fees, forum fees, interest and expenses.

Respondent requested that the Statement of Claim be denied in all respects, that all fees and costs be assessed against Claimants, and all other relief that the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about July 22, 2004, the parties filed with NASD Dispute Resolution ("NASD") their notice of settlement.

On or about September 1, 2004, the parties filed with NASD a Joint Motion for Expungement of this matter, from the NASD Central Registration Depository ("CRD") record of non-party Charles Johansen ("Johansen"). On October 8, 2004, the Panel conducted a pre-hearing conference with the parties to hear additional information in support of said motion. Thereafter, the Panel issued an Order granting the parties' Joint Motion for Expungement.

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, the parties' Joint Request for Expungement, and the information presented at the telephonic hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

Claimants' claims are hereby dismissed with prejudice.

The Panel recommends the expungement of all reference to the above captioned arbitration from Johansen's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Johansen must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$ 300.00
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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, 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:

No adjournment fees were incurred in this matter.

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:

No three-day cancellation fees were incurred in this matter.

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.

No injunctive relief fees were incurred in this matter.

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 the Panel @ \$1,125.00/session	= \$2,250.00
Pre-hearing conferences: October 30, 2003 1 session	
October 8, 2004 1 session	
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Total Forum Fees	= \$2,250.00

The Panel has assessed the total forum fees of \$2,250.00 to Respondent.

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.

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 300.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	<u>= \$2,250.00</u>
Total Fees	= \$7,450.00
<u>Less payments</u>	<u>= \$6,800.00</u>
Balance Due NASD Dispute Resolution	= \$ 650.00

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

Parties' Signatures

/s/
Charles M. Thompson, Esq.
Counsel for Claimants

January 6, 2005
Signature Date

/s/
George C. Freeman, III, Esq.
Counsel for Respondent

December 30, 2004
Signature Date

ARBITRATION PANEL

Cynthia Lee Traina -
Clayton J. Borne, III -
Arthur W. Pigott -

Public Arbitrator, Presiding Chairperson
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Cynthia Lee Traina
Public Arbitrator, Presiding Chairperson

January 13, 2005
Signature Date

/s/
Clayton J. Borne, III
Public Arbitrator

January 10, 2005
Signature Date

/s/
Arthur W. Pigott
Non-Public Arbitrator

January 7, 2005
Signature Date

January 14, 2005
Date of Service (For NASD Dispute Resolution office use only)