

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Jeffrey King and Linda King (Claimants) v. Merrill Lynch, Pierce, Fenner & Smith, Inc.
(Respondent)

Case Number: 03-01666

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Member.

REPRESENTATION OF PARTIES

Claimants Jeffrey King ("J. King") and Linda King ("L. King") hereinafter collectively referred to as "Claimants": Howard M. Rosenfield, Esq., Farmington, CT.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") hereinafter referred to as "Respondent": William L. Parker, Esq., Fitzhugh, Parker & Alvaro, LLP, Boston, MA.

CASE INFORMATION

Statement of Claim filed on or about: March 7, 2003.

Amended Statement of Claim filed on or about: August 4, 2003.

Response to Motion to Strike and Motion to Dismiss filed by Claimants on or about: November 21, 2003.

Claimants signed the Uniform Submission Agreement: September 12, 2002.

Statement of Answer, Motion to Strike and Motion to Dismiss filed by Respondent on or about: November 3, 2003.

Amendment to Statement of Answer filed by Respondent on or about: November 24, 2003.

Reply to Claimants' Opposition to the Motion to Dismiss and Motion to Strike filed by Respondent.

Respondent signed the Uniform Submission Agreement: September 5, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; misrepresentations, omissions, and manipulative devices in violation of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder; violations of the Connecticut Uniform Securities Act; violations of the Deceptive Trade Practices Act; unsuitable trading; common law fraud;

conversion; recklessness; breach of contract; and failure to supervise. The causes of action relate to unspecified securities.

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 between \$100,000.00 and \$500,000.00; costs and expenses; punitive damages; reasonable attorneys' fees pursuant to Section 36b-2 et. seq. of the Connecticut General Statutes; Connecticut General Statutes 42-110b et. seq., and judicial precedent.

Respondent requested that Claimants First Amended Statement of Claim be dismissed, with prejudice in its entirety, and that the Arbitrators award Respondent its attorneys' fees, costs, and other relief as they deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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. Claimants' claims are dismissed in their entirety.
2. 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	= \$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, Merrill Lynch, Pierce, Fenner & Smith, Inc. is a party.

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

Hearing process fee = \$2,750.00

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 @ \$1,125.00 = \$ 2,250.00

Pre-hearing conferences: March 26, 2004 1 session
 July 30, 2004 1 session

Six (6) Hearing sessions @ \$1,125.00 = \$ 6,750.00

Hearing Dates: November 29, 2004 2 sessions
 November 30, 2004 2 sessions
 December 6, 2004 2 sessions

Total Forum Fees = \$9,000.00

1. The Panel has assessed \$4,500.00 of the forum fees against Claimants.
2. The Panel has assessed \$4,500.00 of the forum fees against Respondent.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$4,500.00
Total Fees	= \$4,800.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$3,375.00

2. Respondent is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$4,500.00
Total Fees	= \$9,700.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$4,500.00

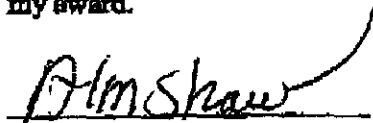
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

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Alan Shaw, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard Breindel, Esq.	-	Public Arbitrator
John B. Morgan, 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.



Alan Shaw, Esq.
Public Arbitrator, Presiding Chairperson

MARCH 14, 2005

Signature Date

Howard Breindel, Esq.
Public Arbitrator

Signature Date

John B. Morgan, Esq.
Non-Public Arbitrator

Signature Date

March 14, 2005

Date of Service (For NASD Dispute Resolution use only)

NASD REGULATION

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ARBITRATION PANEL

Alan Shaw, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard Breindel, Esq.	-	Public Arbitrator
John B. Morgan, Esq.	-	Non-Public Arbitrator

Consenting 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.

Alan Shaw, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Howard Breindel, Esq.
Public Arbitrator

3/11/05
Signature Date

John B. Morgan, Esq.
Non-Public Arbitrator

Signature Date

March 14, 2005

Date of Service (For NASD Dispute Resolution use only)

Alan Shaw, Esq.	-	Public Arbitrator, Presiding Chairperson
Howard Breindel, Esq.	-	Public Arbitrator
John B. Morgan, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

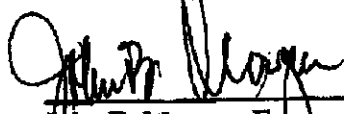
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Alan Shaw, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Howard Breindel, Esq.
Public Arbitrator

Signature Date



John B. Morgan, Esq.
Non-Public Arbitrator

03/13/2005

Signature Date

March 14, 2005

Date of Service (For NASD Dispute Resolution use only)