

NASD DISPUTE RESOLUTION AWARD

NASD DISPUTE RESOLUTION

CASE: 03-04101

Ann S. Douglas TTEE for Galen M. Douglas Educational Trust and Ann S. Douglas TTEE for Jake C. Douglas Educational Trust, Claimant v. Richard Shrader and Mike Nielsen, Respondents.

ATTORNEYS:

Claimant, Ann S. Douglas TTEE for Galen M. Douglas Educational Trust and Ann S. Douglas TTEE for Jake C. Douglas Educational Trust, ("Claimant"), appeared pro se, Bainbridge Island, WA.

Respondents, (collectively "Respondents"):

Respondent, Richard Shrader, ("Shrader"), appeared through Angela A. Turiano, Esq., the in-house counsel of the member firm associated with him at the time of the dispute, Merrill Lynch Pierce Fenner & Smith, Inc., New York, NY.

Respondent, Mike Nielsen, ("Nielsen"), appeared pro se, Seattle, WA.

NATURE OF DISPUTE: Customer v. Associated Persons

DATE FILED: June 5, 2003

CASE SUMMARY: Claimant alleged that Respondents breached their contract and fiduciary duty, were negligent, omitted material facts regarding her investment portfolio, and invested her funds in unsuitable stock. Claimant additionally alleged that Merrill Lynch Pierce Fenner & Smith, Inc. failed to supervise its representatives, Respondents Richard Shrader and Mike Nielsen. Claimant's claim involved Asia Pulp and Paper Company bonds. Claimant maintained that due to Respondents' actions, the trust funds for which she is trustee suffered financial losses.

Claim Data

Claim: \$19,395.00

Interest: At market rate

Filing Fees: \$450.00

Other: Unspecified

Award Data

Award: \$9,697.00

Interest: \$.00

Filing Fees: \$425.00

Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent Richard Shrader is liable and shall pay to the Claimant \$7,272.75. 2) Respondent Mike Nielsen is liable and shall pay to the Claimant \$2,424.25. 3) All requests for interest are denied. 4) All other relief requests are denied. 5) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously. 6) Respondent Richard Shrader is liable and shall pay to the Claimant \$318.75 as reimbursement of seventy-five percent (75%) of the filing fee. 7) Respondent Mike Nielsen is liable and shall pay to the Claimant \$106.25 as reimbursement of twenty-five percent (25%) of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, Merrill Lynch Pierce Fenner & Smith, Inc. the member firm associated with the Respondents at the time of the dispute, has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

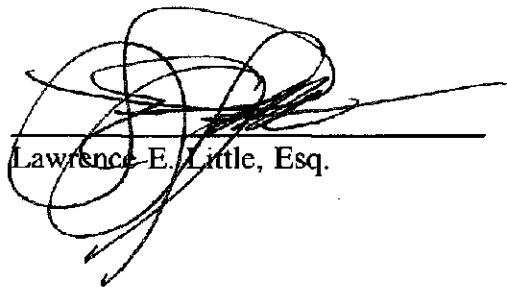
Award 03-04101

ARBITRATOR

Lawrence E. Little, Esq. - Sole Public Arbitrator

AFFIRMATION

I, Lawrence E. Little, Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.



Lawrence E. Little, Esq.

7/6/04
Signature Date

July 20, 2004

Date of Service (For NASD-DR office use only)