

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

**J. Edmond Stickell
Priscilla I. Stickell**

Case Number: 03-09133

Name of the Respondents

**Merrill Lynch, Pierce, Fenner & Smith, Incorporated
Kent V. Pearce**

Hearing Site: Baltimore, MD

Nature of the Dispute: Customers vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimants, J. Edmond Stickell and Priscilla I. Stickell, hereinafter collectively referred to as "Claimants", were represented by Paul M. Vettori, Esq., Kenny & Vettori, L.L.P., Towson, Maryland.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Incorporated ("Merrill Lynch"), and Kent V. Pearce ("Pearce"), hereinafter collectively referred to as "Respondents", were represented by Ira L. Oring, Esq., Fedder and Garten Professional Association, Baltimore, Maryland.

CASE INFORMATION

Statement of Claim filed on December 23, 2003.

Claimants signed the Uniform Submission Agreement on December 23, 2003

Statement of Answer filed by Respondents on March 11, 2004.

Respondent Pearce signed the Uniform Submission Agreement on March 11, 2004.

A representative of Respondent Merrill Lynch filed an undated Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action, among others: violation of State and Federal securities laws, breach of standard of care, unsuitability, constructive fraud, breach of contract, failure to supervise, and breach of contract. The causes of action relate to the purchase and sale of various unspecified technology sector stocks.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim is barred by the doctrines of laches, and of waiver, estoppel and ratification; assumption of the risk; failure to mitigate damages; the Statement of Claim fails to state a claim upon which relief may be granted; statute of limitations, and any and all losses suffered by the Claimants were proximately caused by their own conduct or negligence.

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RELIEF REQUESTED

Claimants in their Statement of Claim requested:

Compensatory Damages	\$500,000.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents requested that the Statement of Claim be dismissed, that all references to this arbitration be expunged from Respondent Pearce's registration record maintained by the NASD Central Registration Depository ("CRD"), and that the Arbitration Panel (the "Panel") award them costs and forum fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have 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. The parties have reached a settlement of all claims asserted in this matter;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Kent V. Pearce's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Pearce must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and
4. Any and all relief not specifically addressed herein is denied in its entirety;
5. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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Filing Fees

NASD Dispute Resolution 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 firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Merrill Lynch is 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

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 @ \$1,125.00	= \$1,125.00
Pre-hearing conference: August 25, 2004 1 session	
Total Forum Fees	= \$1,125.00

1. The Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

FEES SUMMARY

1. Claimants are jointly and severally assessed and shall pay the following fees:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$1,575.00
Refund Due Claimants	= \$ 712.50

2. Respondent Merrill Lynch is assessed and shall pay the following fees:

Member Fees	= \$5,200.00
Total Fees	= \$5,200.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 00.00

4. Respondents are jointly and severally assessed and shall pay the following fees:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 00.00

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Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Marvin Elster, Esq.

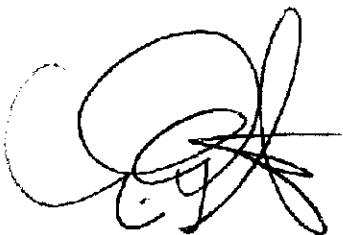
Richard R. Lauziere, CPA

Jane F. Moore

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures



Marvin Elster, Esq
Public Arbitrator, Presiding Chairperson

4-22-05
Signature Date

Richard E. Lauziere, CPA
Public Arbitrator, Panelist

Signature Date

Jane F. Moore
Non-Public Arbitrator, Panelist

Signature Date

4/28/05
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Marvin Elster, Esq
Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lauziere
Richard E. Lauziere, CPA
Public Arbitrator, Panelist

4-25-05
Signature Date

Jane F. Moore
Non-Public Arbitrator, Panelist

Signature Date

4/28/05
Date of Service (For NASD Dispute Resolution office use only)

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Marvin Elster, Esq
Public Arbitrator, Presiding Chairperson

Signature Date

Richard E. Lauziere, CPA
Public Arbitrator, Panelist

Signature Date


Jane F. Moore
Non-Public Arbitrator, Panelist

4.22.05
Signature Date

4/28/05
Date of Service (For NASD Dispute Resolution office use only)