
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Walli Riechert

Case Number: 04-02317

Names of the Respondents

Merrill Lynch, Pierce, Fenner & Smith Incorporated
Wanda Mayhew

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Walli Riechert, hereinafter referred to as "Claimant": Darren C. Blum, Esq., Blum, Silver & Schwartz, LLP, Coral Springs, Florida.

For Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPFS") and Wanda Mayhew ("Mayhew"), hereinafter collectively referred to as "Respondents": A. Inge Selden, III, Esq., Maynard, Cooper & Gale, P.C., Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: March 26, 2004.

Claimant signed the Uniform Submission Agreement: March 22, 2004.

Statement of Answer filed by Respondents on or about: July 2, 2004.

Respondent MLPFS signed the Uniform Submission Agreement: May 11, 2004.

Respondent Mayhew did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant alleged the following causes of action: 1) violation of NYSE Rule 405; 2) violation of NASD Rule 2310; 3) breach of contract; 4) breach of fiduciary duty; 5) common law fraud; 6) negligence; and 7) negligent hiring, retention and supervision. The causes of action relate to investments in various securities, including but not limited to, Cisco Systems, Tyco Intl. and Alliance Growth and Income Fund.

Unless specifically admitted in their Statement of Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested: 1) compensatory damages in the amount of \$79,000.00; 2) interest at the legal rate from the date of purchase or reasonable market return; 3) rescission; 4) punitive damages; 6) costs of this proceeding; and 7) such other relief as is just and proper.

Respondents requested: 1) denial of the Statement of Claim in its entirety; 2) costs; 3) forum fees be assessed against Claimant; 4) expungement of all reference to the above captioned arbitration from Respondent Mayhew's registration records maintained by the NASD Central Registration Depository ("CRD"); and 5) other relief that the undersigned arbitrators (the "Panel") deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the of the file and the representations made by/on behalf of the Claimant, the Panel has determined that Respondents MLPFS and Mayhew have been properly served with the Statement of Claim pursuant to Rule 10314 of the NASD Code of Arbitration Procedure (the "Code"). The Panel has also determined that Respondents MLPFS and Mayhew have received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed pursuant to Rule 10318 of the Code. Respondent MLPFS filed with NASD Dispute Resolution ("NASD") a properly executed submission to arbitration on May 11, 2004. Respondent Mayhew did not file with NASD a properly executed submission to arbitration, but is required to submit to arbitration pursuant to Rule 10301 of the Code, and having answered the claim, Respondent Mayhew is bound by the determination of the Panel on all issues submitted.

On or about July 8, 2005, Respondents notified NASD that the parties have entered into an agreement to settle this matter on certain terms and conditions set forth in a confidential settlement agreement. The confidential settlement agreement included a stipulation that Claimant's complaint should be expunged from the CRD registration records of Respondent Mayhew.

On or about July 28, 2005, the parties submitted a Joint Motion for Expungement of the CRD record of Respondent Mayhew and a proposed Stipulated Award for execution by the Panel.

On or about August 16, 2004, the Panel granted the Joint Motion for Expungement of the CRD record of Respondent Mayhew.

The parties agreed that the Stipulated Award in this matter may be executed, by any or all of the arbitrators, in counterpart copies. The parties have agreed to receive conformed copies of the Stipulated Award while the original(s) remain on file with NASD.

AWARD

After considering the pleadings and the stipulation of the parties, but without making any findings of fact or conclusions of law, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's withdrawal of the claims is accepted and Respondents are dismissed from this matter with

prejudice.

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

3. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party are hereto denied, with prejudice.

4. Other than forum fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees, not specifically awarded or otherwise provided for above.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 225.00
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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	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$1,700.00</u>
Total	= \$3,550.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournments requested during these proceedings for which fees were assessed.

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:

There were no three-day cancellation fees assessed during these proceedings.

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.

There were no injunctive relief fees assessed during these proceedings.

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:

One (1) Pre-hearing session with Panel @ \$750.00 per session	= \$ 750.00
Pre-hearing conference: August 17, 2004 1 session	

Total Forum Fees	= \$ 750.00
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The Panel has assessed \$375.00 of the forum fees to Claimant.

The Panel has assessed \$375.00 of the forum fees to Respondents MLPFS and Mayhew, jointly and severally.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is liable for:

Initial Filing Fee	= \$ 225.00
Retained Balance of Hearing Session Deposit per Rule 10332(f)	= \$ 375.00
Forum Fee	= \$ 375.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent MLPFS is liable for:

Member Fees	= \$3,550.00
Total Fees	= \$3,550.00
Less payments	= \$3,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents MLPFS and Mayhew are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 375.00
<u>Total Fees</u>	= \$ 375.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 375.00

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

ARBITRATION PANEL

<i>Edward Aptaker, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Howard I. Joroff</i>	-	<i>Public Arbitrator</i>
<i>Alvin Spier</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Edward Aptaker, Esq.
Public Arbitrator, Presiding Chairperson

8/29/05
Signature Date

/s/
Howard I. Joroff
Public Arbitrator

8/24/05
Signature Date

/s/
Alvin Spier
Non-Public Arbitrator

9/1/05
Signature Date

9/1/05
Date of Service (For NASD Dispute Resolution office use only)

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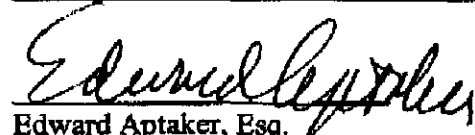
Alvin Spier

Public Arbitrator, Presiding Chairperson

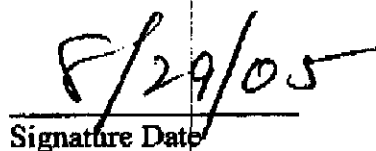
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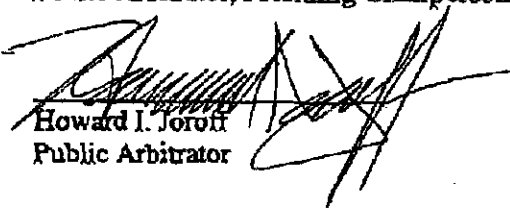
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