

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

Ram A. Sharma

and

Case Number: 05-00027

Hearing Site: Southfield, Michigan

Respondents

Merrill Lynch Pierce Fenner & Smith, Inc.,
Sidhdharth D. Sheth, Michael D. Kortfelt
and Merrill Lynch

NATURE OF DISPUTE

Customer v. Member, Associated Persons and Non-Member

REPRESENTATION OF PARTIES

Ram A. Sharma ("Claimant") was represented by Anthony V. Trogan, Esq., Anthony V. Trogan, PLLC., West Bloomfield, Michigan

Merrill Lynch Pierce Fenner & Smith, Inc. ("MLPFS"), Sidhdharth D. Sheth ("Sheth"), and Michael D. Kortfelt ("Kortfelt"), hereinafter collectively referred to as "Respondents," were represented by Clarence L. Pozza, Jr., Esq., and W. Scott Turnbull, Esq., Miller Canfield Paddock & Stone PLC, Detroit, Michigan.

Merrill Lynch did not appear.

CASE INFORMATION

The Statement of Claim was filed on or about January 3, 2005. The Submission Agreement of Claimant was signed on or about December 28, 2004.

The Statement of Answer was filed jointly by Respondents on or about March 28, 2005. The Submission Agreement of MLPFS was signed on or about January 13, 2005, by Susan E. Harkins. The Submission Agreement of Sheth was signed on or about July 26, 2005. The Submission Agreement of Kortfelt was signed on or about April 11, 2005.

CASE SUMMARY

Claimant asserted the following legal theories in support of his claims: breach of contract; common law fraud; conspiracy; promissory estoppel; conversion; negligence; malpractice; breach of fiduciary duty; and breach of Michigan securities law. The causes of action related to the investment of Claimant's retirement funds in mutual funds and stocks including Oracle, Nokia, Etoys, Viacom, General Electric, Dell and Johnson & Johnson. Claimant asserted that the transactions recommended to him by Respondents were not suitable for Claimant given his circumstances and conservative objectives.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim and all claims therein fail to state a claim upon which relief can be granted; the Statement of Claim and all claims therein are barred by reason of the applicable statute of limitations or other period of limitations; the Statement of Claim and all claims therein are barred by reason of Claimant's negligence, comparative negligence and contributory negligence.

RELIEF REQUESTED

Claimant requested an award in the amount of \$495,000.00, plus interest, costs, attorneys' fees, exemplary and punitive damages, rescission and additional damages as determined by the panel.

Respondents requested that the claims asserted against them be dismissed in their entirety and that they be awarded their costs and attorneys' fees. Respondents Sheth and Kortfelt requested expungement of this claim from their CRD records.

OTHER ISSUES CONSIDERED & DECIDED

Respondent Merrill Lynch is not an NASD Member Firm. Merrill Lynch did not voluntarily submit to NASD arbitration, nor was a contract to arbitrate disputes with Merrill Lynch presented. Therefore, Merrill Lynch is not compelled by NASD rules to arbitrate disputes in this forum. In the absence of Merrill Lynch's voluntary submission, NASD does not have jurisdiction over this party.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims, each and all, are denied and dismissed with prejudice;
- 2.) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondents Sidhharth D. Sheth and Michael D. Kortfelt's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondents Sidhharth D. Sheth and Michael D. Kortfelt must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by the NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative finding of fact:

The claim, allegation, or information is false.

- 3.) Any relief not specifically enumerated, including exemplary and punitive damages and attorneys' fees, is hereby denied with prejudice; and
- 4.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;

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

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Merrill Lynch Pierce Fenner & Smith, Inc.

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00

Adjournment Fees

Adjournments requested during these proceedings:

May 9, 2006, adjournment of afternoon session requested jointly (fee waived by panel)	= \$ 1,125.00
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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:

Adjournment of afternoon session on May 9, 2006, requested jointly on May 9, 2006. (Fee assessed to MLPFS)	= \$ 300.00
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Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted and each decision rendered on a discovery-related motion on the papers. A hearing 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 x \$1,125.00	= \$ 1,125.00
Pre-hearing conference: June 29, 2005 1 session	
Seven (7) Hearing sessions x \$1,125.00	= \$ 7,875.00
Hearing Dates: May 9, 2006 1 session	
May 10, 2006 2 sessions	
May 11, 2006 2 sessions	
May 12, 2006 2 sessions	
Total Forum Fees	= \$ 9,000.00

The Arbitration Panel has assessed \$9,000.00 of the forum fees solely to Ram A. Sharma.

Fee Summary

Claimant, Ram A. Sharma, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 9,000.00
Total Fees	= \$ 9,300.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 7,875.00

Respondent, Merrill Lynch Pierce Fenner & Smith, Inc., is liable for:

Member Fees	= \$ 5,200.00
Three-Day Cancellation Fee	= \$ 300.00
Total Fees	= \$ 5,500.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 300.00

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

ARBITRATION PANEL

Robert G. Falbisaner - Public Arbitrator, Presiding Chair
Lee Hornberger, J.D. - Public Arbitrator
Norman A. Samson - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Robert G. Falbisaner
Robert G. Falbisaner
Public Arbitrator, Presiding Chair

05/15/06
Signature Date

/s/ Lee Hornberger, J.D.
Lee Hornberger, J.D.
Public Arbitrator

05/15/06
Signature Date

/s/ Norman A. Samson
Norman A. Samson
Non-Public Arbitrator

05/15/06
Signature Date

05/16/06
Date of Service (For NASD office use only)

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Lee Hornberger, J.D. - Public Arbitrator
Norman A. Samson - Non-Public Arbitrator

Concurring Arbitrators:



Robert G. Falbisaner
Public Arbitrator, Presiding Chair

May 15, 2006

Signature Date

Lee Hornberger, J.D.
Public Arbitrator

Signature Date

Norman A. Samson
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chair

Signature Date

Lee Hornberger, J.D.
Public Arbitrator

Signature Date


Norman A. Samson
Non-Public Arbitrator


Signature Date

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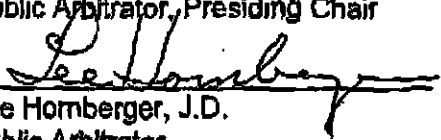
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Date of Service (For NASD office use only)

Signature Date

5.15.06
Signature Date

Signature Date