

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Guyon W. Turner

Case Number: 05-01485

Names of the Respondents
Merrill Lynch, Pierce, Fenner & Smith, Inc.
Robert Arthur Johnson

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimant, Guyon W. Turner, hereinafter referred to as "Claimant", was represented by Alan L. Frank, Esq., and Kyle M. Kulzer, Esq., Alan L. Frank Law Associates, P.C., Elkins Park, Pennsylvania.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") and Robert Arthur Johnson ("Johnson"), hereinafter collectively referred to as "Respondents", were represented by Andrew W. Stern, Esq., and Nicholas P. Crowell, Esq., Sidley Austin, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on March 18, 2005.

Claimant signed the Uniform Submission Agreement on March 7, 2005.

Statement of Answer filed by Respondents on June 10, 2005.

Respondent Merrill Lynch did not file a Uniform Submission Agreement with NASD Dispute Resolution.

Respondent Johnson signed the Uniform Submission Agreement on July 20, 2005.

CASE SUMMARY

Claimant asserted the following causes of action, among others: violation of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, suitability, violation of the Pennsylvania Securities Act of 1972, violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law, breach of fiduciary duty, failure to supervise and control person liability, churning, unauthorized trading, negligence, *respondeat superior*, breach of contract, and common law fraud. The causes of action relate to various unspecified securities.

Unless specifically admitted in their Statement of Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim upon which relief may be

granted; statutes of limitations; the claim is barred in whole or in part by the doctrines of laches, ratification, contributory and comparative negligence, and/or unclean hands; Claimant did not sustain any legally cognizable damages; Claimant either mitigated his damages or his claim is barred because he failed to do so; and Claimant is not entitled to punitive or consequential damages.

RELIEF REQUESTED

Claimant in his Statement of Claim requested compensatory damages in the amount of \$10,000,000.00, interest at the rate of 6% on all sums recovered, treble damages, punitive damages, costs, and reasonable attorneys' fees.

Respondents, in their Statement of Answer, requested that the Arbitration Panel (the "Panel") dismiss the Claim as meritless and award Respondents their costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Merrill Lynch did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

On May 11, 2006, after three days of evidentiary hearings, the parties notified the Panel that this matter had settled. 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 or that a handwritten, signed Award may be entered.

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 amicably resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Johnson's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Johnson 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 Panel has made the following affirmative findings of fact:

The claim is factually impossible or clearly erroneous, and the claim against Respondent Johnson is false.

3. All claims for treble or punitive damages and attorneys' fees are denied in their entirety;
4. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
5. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$ 600.00
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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 firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent Merrill Lynch is a party.

Member surcharge	= \$ 3,750.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 5,500.00</u>
Total Member Fees	= \$10,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 23-27, 2006 adjournment requested by Respondents	= \$ 1,200.00
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1. The Panel has assessed \$600.00 of the adjournment fees to Claimant.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally to

Respondents .

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: December 16, 2005 1 session	
One (1) Pre-hearing sessions with Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference: August 11, 2005 1 session	
Seven (7) Hearing sessions @ \$1,200.00	= \$ 8,400.00
Hearing Dates: May 8, 2006 2 sessions	
May 9, 2006 2 sessions	
May 10, 2006 2 sessions	
May 11, 2006 1 session	
<hr/> Total Forum Fees	<hr/> = \$10,050.00

1. The Panel has assessed \$5,025.00 of the forum fees to Claimant.
2. The Panel has assessed \$5,025.00 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 5,025.00
<u>Adjournment Fee</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 6,225.00
<u>Less payments</u>	<u>= \$ 1,800.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,425.00
2. Respondent Merrill Lynch is assessed and shall pay the following fees:

<u>Member Fees</u>	<u>= \$10,000.00</u>
Total Fees	= \$10,000.00
<u>Less payments</u>	<u>= \$10,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 00.00
4. Respondents are jointly and severally assessed and shall pay the following fees:

Adjournment Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$ 5,625.00</u>
Total Fees	= \$ 6,125.00

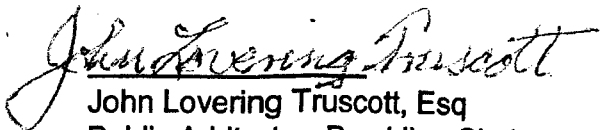
<u>Less payments</u>	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 6,125.00

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

ARBITRATION PANEL

John Lovering Truscott, Esq.	-	Public Arbitrator, Presiding Chairperson
Jerry Schuchman, Esq.	-	Public Arbitrator, Panelist
Edward T. Borer	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


John Lovering Truscott, Esq
Public Arbitrator, Presiding Chairperson

6/26/06
Signature Date

Jerry Schuchman, Esq
Public Arbitrator, Panelist

Signature Date

Edward T. Borer
Non-Public Arbitrator, Panelist

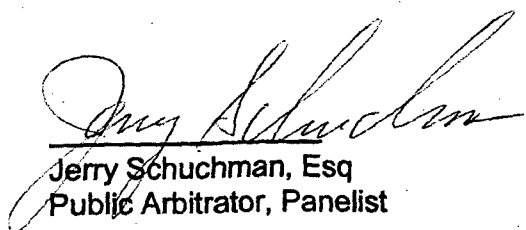
Signature Date

Date of Service (For NASD Dispute Resolution office use only)

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Public Arbitrator, Presiding Chairperson

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Jerry Schuchman, Esq
Public Arbitrator, Panelist

6/26/06

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John Lovering Truscott, Esq
Public Arbitrator, Presiding Chairperson

Signature Date

Jerry Schuchman, Esq
Public Arbitrator, Panelist

Signature Date



Edward T. Borer
Non-Public Arbitrator, Panelist

7/10/06
Signature Date

8/25/06
Date of Service (For NASD Dispute Resolution office use only)