

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Joshua Sky Barrow (Claimant) vs. Merrill Lynch, Pierce, Fenner, & Smith, Inc., John J. O'Connor III, and Paul L. Roche III (Respondents)

Case Number: 05-03319

Hearing Site: Boston, Massachusetts

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

REPRESENTATION OF PARTIES

Claimant Joshua Sky Barrow hereinafter referred to as "Claimant": Derek Y. Brandt, Esq., and Randy S. Cohn, Esq., Simmons Coopers, LLC, East Alton, IL, and Nicholas P. Iavarone, Esq., Bellows & Bellows, P.C., East Alton, IL.

Respondent Merrill Lynch, Pierce, Fenner, & Smith, Inc. ("Merrill Lynch"): Timothy P. Burke, Esq., and Corin R. Swift, Esq., Bingham McCutchen LLP, Boston, MA.

Respondents John J. O'Connor III ("O'Connor") and Paul L. Roche III ("Roche"): Patrick J. Dolan, Esq., Demeo & Associates, P.C., Boston, MA. Previously represented by Timothy P. Burke, Esq., and Corin R. Swift, Esq., Bingham McCutchen LLP, Boston, MA.

Respondents Merrill Lynch, O'Connor, and Roche hereinafter collectively referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: June 28, 2005.

Amended Statement of Claim filed on or about: September 22, 2006.

Claimant signed the Uniform Submission Agreement: June 21, 2005.

Joint Statement of Answer and Motion to Strike filed by Respondents on or about: September 26, 2005.

Joint Amended Statement of Answer filed by Respondents on or about: November 3, 2006.

Merrill Lynch signed the Uniform Submission Agreement: July 18, 2005.

O'Connor did not submit a Uniform Submission Agreement.

Roche did not submit a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty, breach of contract, violation of the Securities Exchange Act, violation of the Massachusetts Uniform Securities Act, violation of the Massachusetts Regulation of Business Practices for Consumer Protection, infliction of emotional distress, and negligence. The causes of action relate to Breakaway Solutions stock.

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

RELIEF REQUESTED

Claimant requested compensatory damages in an amount of at least \$5,349,953.00 plus interest, punitive damages, costs, attorneys' fees, pre-judgment interest at the rate of 6% per annum, and whatever additional relief the Panel believes just and within their authority.

Respondents requested dismissal of the Statement of Claim in its entirety and for such other, further, and different relief as the Panel may deem appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents O'Connor and Roche did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and having answered the claim are bound by the determination of the Panel on all issues submitted.

By letter dated November 28, 2006 Claimant informed NASD Dispute Resolution that the parties settled this matter.

By letter dated December 14, 2006 Respondents O'Connor and Roche submitted a Motion for Expungement. On or about December 19, 2006 Claimant orally notified NASD Dispute Resolution that Claimant did not object to the Motion for Expungement and would not submit a response. On or about December 19, 2006 Merrill Lynch orally notified NASD Dispute Resolution that it did not take a position on the Motion for Expungement. By Order dated January 3, 2007 the Panel granted Respondents O'Connor and Roche's Motion for Expungement.

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.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award.

Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The parties have entered into a confidential settlement agreement.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent O'Connor's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent O'Connor 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 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is false.

3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Roche's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Roche 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 of the NASD Code of Arbitration Procedure, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is false.

4. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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

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, Merrill Lynch, Pierce, Fenner, & Smith, Inc. is a party.

Member surcharge = \$ 3,350.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 5,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

September 11-15, 2006, adjournment by Claimant = WAIVED

December 4-8, 20, 2006, adjournment by the parties

Claimant's share = \$ 300.00

Merrill Lynch's share = \$ 300.00

O'Connor's share = \$ 300.00

Roche's share = \$ 300.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 single Arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: October 27, 2006 1 session

Three (3) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 3,600.00

Pre-hearing conferences: December 6, 2005 1 session

April 13, 2006 1 session

October 5, 2006 1 session

Total Forum Fees = \$ 4,050.00

1. The Panel has assessed \$4,050.00 of the forum fees to Claimant.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee = \$ 600.00

Adjournment Fee	= \$ 300.00
Forum Fees	= \$ 4,050.00
Total Fees	= \$ 4,950.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 3,150.00

2. Respondent Merrill Lynch is solely liable for:

Member Fees	= \$ 9,600.00
Adjournment Fees	= \$ 300.00
Total Fees	= \$ 9,900.00
Less Payments	= \$ 9,600.00
Balance Due NASD Dispute Resolution	= \$ 300.00

4. Respondent O'Connor is solely liable for:

Adjournment Fees	= \$ 300.00
Total Fees	= \$ 300.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 300.00

5. Respondent Roche is solely liable for:

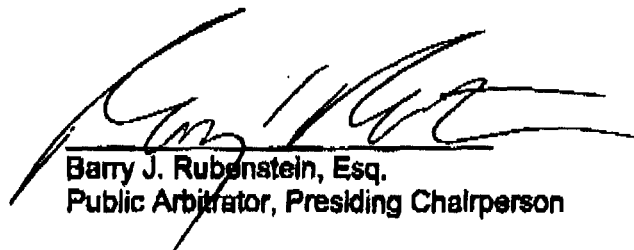
Adjournment Fees	= \$ 300.00
Total Fees	= \$ 300.00
Less Payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 300.00

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

ARBITRATION PANEL

Barry J. Rubenstein, Esq.	-	Public Arbitrator, Presiding Chairperson
William R. Harding, CPA	-	Public Arbitrator
John F. Poole	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Barry J. Rubenstein, Esq.
Public Arbitrator, Presiding Chairperson

1/8/07
Signature Date

William R. Harding, CPA
Public Arbitrator

Signature Date

John F. Poole
Non-Public Arbitrator

Signature Date

January 17, 2007

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Barry J. Rubenstein, Esq.	-	Public Arbitrator, Presiding Chairperson
William R. Harding, CPA	-	Public Arbitrator
John F. Poole	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Barry J. Rubenstein, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

William R. Harding
William R. Harding, CPA
Public Arbitrator

1/8/07
Signature Date

John F. Poole
Non-Public Arbitrator

Signature Date

January 17, 2007

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Barry J. Rubenstein, Esq.	-	Public Arbitrator, Presiding Chairperson
William R. Harding, CPA	-	Public Arbitrator
John F. Poole	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Barry J. Rubenstein, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

William R. Harding, CPA
Public Arbitrator

Signature Date



John F. Poole
Non-Public Arbitrator

1/5/07

Signature Date

January 17, 2007

Date of Service (For NASD Dispute Resolution use only)