

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Lahna J. Specht

Case Number: 04-06128

Name of the Respondent
Merrill Lynch, Pierce, Fenner & Smith, Inc.

Hearing Site: Norfolk, Virginia

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant, Lahna J. Specht, hereinafter referred to as "Claimant", was represented by W. Scott Greco, Esq., Greco & Greco, P.C., McLean, Virginia.

Respondent, Merrill Lynch, Pierce, Fenner & Smith, Inc., hereinafter referred to as "Respondent" was represented by M. Elizabeth Nowinski, Esq., and Ira L. Oring, Esq., Fedder and Garten, P.A., Baltimore, Maryland.

CASE INFORMATION

Statement of Claim filed on August 27, 2004.

Claimant signed the Uniform Submission Agreement on July 13, 2004.

Statement of Answer filed by Respondent on December 10, 2004.

A representative of Respondent executed the Uniform Submission Agreement on December 31, 2004.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action, among others: conversion, violation of UCC, VA. Code § 8.3 A-1010 *et seq.*, fraud and securities fraud, suitability, breach of contract, breach of fiduciary duties, failure to supervise, and negligence. The causes of action relate to the purchase and sale of various unspecified securities.

Unless specifically admitted in its Statement of Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses, among others: Claimant's claims are barred by the doctrines of ratification, waiver, estoppel, laches, assumption of the risk, and authorization; Claimant's claims are barred by the statutes of limitations; contributory negligence; Claimant's claims are barred by the statute of frauds; failure to mitigate damages; and failure to state a claim upon which relief may be granted.

RELIEF REQUESTED

Claimant in her Statement of Claim requested:

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 7, 2005 1 session		
One (1) Pre-hearing session with the Panel @ \$ 1,125.00	= \$	1,125.00
Pre-hearing conference: May 5, 2005 1 session		
Three (3) Hearing sessions @ \$ 1,125.00	= \$	3,375.00
Hearing Dates: February 7, 2006 2 sessions		
February 8, 2006 1 session		
Total Forum Fees	= \$	4,950.00

1. The Panel has assessed \$ 2,475.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 2,475.00 of the forum fees to Respondent.

Fee Summary

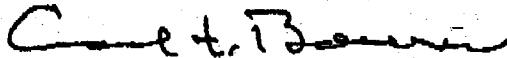
1. Claimant are jointly and severally assessed and shall pay:		
Initial Filing Fee	= \$	waived
Forum Fees	= \$	2,475.00
<hr/> Total Fees	= \$	2,475.00
Less payments	= \$	0.00
<hr/> Balance Due NASD Dispute Resolution	= \$	2,475.00
2. Respondent is assessed and shall pay:		
Member Fees	= \$	5,200.00
Forum Fees	= \$	2,475.00
<hr/> Total Fees	= \$	7,675.00
Less payments	= \$	5,200.00
<hr/> Balance Due NASD Dispute Resolution	= \$	2,475.00

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

ARBITRATION PANEL

Carl F. Bowmer, Esq.	-	Public Arbitrator, Presiding Chairperson
Carolyn W. Hines	-	Public Arbitrator, Panelist
J. Tyler Pugh	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Carl F. Bowmer, Esq.
Public Arbitrator, Presiding Chairperson

2-10-06

Signature Date

Carolyn W. Hines
Public Arbitrator, Panelist

Signature Date

J. Tyler Pugh
Non-Public Arbitrator, Panelist

Signature Date

February 10, 2006

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

Concurring Arbitrators' Signatures

Carl F. Bowmer, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Carolyn W. Hines

Carolyn W. Hines
Public Arbitrator, Panelist

Feb. 9, 2006

Signature Date

J. Tyler Pugh
Non-Public Arbitrator, Panelist

Signature Date

February 10, 2006

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

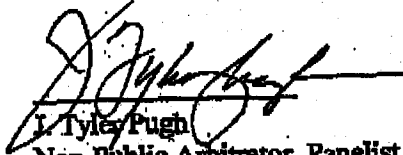
Concurring Arbitrators' Signatures

Carl F. Howmer, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Carolyn W. Hines
Public Arbitrator, Panelist

Signature Date


I. Tyler Pugh
Non-Public Arbitrator, Panelist

2-10-06
Signature Date

February 10, 2006
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