



New York Stock Exchange  
In the Matter of Arbitration Between

Case: John R. Warren, Individually and On Behalf Karin Z. Warren, Individually and On Behalf Marion Waag, Individually v. Merrill Lynch Pierce Fenner & Smith v. Shadi Dabit  
Docket Number: 2002-010064

Attorneys:

For Claimant(s):

Stephen Mansfield - Oklahoma City, OK

For Respondent(s):

Michael O'Neil - Oklahoma City, OK

For 3rd Party: Shadi Dabit - Norman, OK

Date Filed: 3/18/2002

First Scheduled: 4/30/2003

Decided: 3/18/04

Case Summary:

The statement of claim alleges unauthorized trading, breach of fiduciary duty, suitability and failure to supervise. Merrill Lynch & Co. sought indemnification against former registered representative Shadi Dabit.

Product: Equity

Market: NASD

Claim Data:

Claim: \$239,000.00  
Punitive:  
Atty Fees: \$36,650.00  
Deposit: \$750.00  
CC/3rd Pty: \$239,000.00  
Punitive:  
Atty Fees:  
Deposit:

Award Data:

Award: \$113,405.00  
Punitive:  
Atty Fees: \$36,650.00  
Costs:  
CC/3rd Pty: \$71,702.50  
Punitive:  
Atty Fees:  
Costs:

Forum Fees: 4950

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MAR 11 2004

Per .....



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Per ..... *RL*

Docket Number: 2002-010064

Decision: The undersigned arbitrator(s) have decided and determined that in full and final settlement of all claims between the parties that:

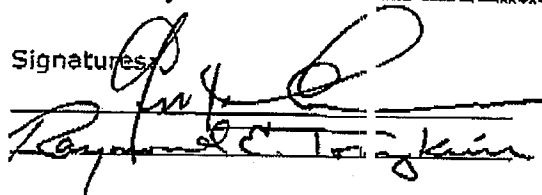
1. The John R. Warren Trust ("Warren Trust") is awarded \$121,405.00 from Merrill Lynch & Co.
2. Karin Z. Warren is awarded \$15,000.00 from Merrill Lynch & Co.
3. Marion Wagg's acceptance of Merrill Lynch's offer of judgment for \$24,000.00 is approved by the arbitrators.
4. The Warren Trust and Karin Z. Warren are awarded, 6% interest on the award from the date of filing the claim (March 18, 2002).
5. Shadi Dabit sold 45,000 shares of an unrated stock (Sycamore) all marked unsolicited to several clients within a short period of time without being called to task by the house. We also note that the firm was a market maker in Sycamore. The Arbitrators request that NYSE Department of Enforcement investigate this finding for a possible violation of NYSE Rules.
6. The panel awards the Warren Trust and Karin Z. Warren attorneys fees of \$36,650.00 and costs of \$4,912.03. No attorney fees are awarded to Karin Z. Warren.
7. Although, an Answer was filed on behalf of Mr. Dabit to the third-party claim by an attorney, neither Mr. Dabit or his attorney appeared at the hearing to give evidence. Mr Dabit was deemed by the panel to be in default. The panel therefore finds that the allegations of the third-party claim are confessed and finds for Merrill Lynch & Co. Inc. in the amount of \$71,702.50.
8. The chair of the panel issued a subpoena to Shadi Dabit but respondent was not able to serve Mr. Dabit. NYSE forum fees are assessed against Merrill Lynch & Co.

Remarks: Telephone pre-hearing conference with Raymond Tompkins in January 2004.

The undersigned arbitrators hereby affirm that they have executed this instrument which is their award:

Arbitrators: (D = Dissents)  
 Gerald Linehan  
 Raymond Tompkins

Signatures:



The block contains two handwritten signatures. The first signature is in cursive and appears to be 'Gerald Linehan'. The second signature is also in cursive and appears to be 'Raymond Tompkins'. Both signatures are written over horizontal lines.

Peter Boyd

*Peter H. Boyd* 3/2/04

City, State: Oklahoma City, OK

Date: 3/3/04

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Sessions: 6

Hearing Dates:

1/22/2004, (2)

1/20/2004, (2)

1/21/2004, (2)