

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

William W. Allen (Claimant) vs. Merrill Lynch, Pierce, Fenner & Smith, Inc., William H. Combs, and Christopher G. Cook, (Respondents)

Case Number: 00-03787

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant William W. Allen ("Allen"), hereinafter referred to as "Claimant": Nicholas Stevens, Esq., Starr, Gern, Davison & Rubin, P.C., Roseland, N.J.

Respondents Merrill Lynch, Pierce, Fenner & Smith, Inc. ("MLPFS"), William H. Combs ("Combs"), and Christopher G. Cook ("Cook"), hereinafter collectively referred to as "Respondents": Edwin A. Zipf, Esq. And Matthew C. Plant, Esq., Bressler, Amery Ross, New York, New York. Previously represented by Kathryn Jones Troy, Esq., MLPFS, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 29, 2000.

Claimant signed the Uniform Submission Agreement: August 29, 2000.

Joint Statement of Answer filed by Respondents on or about: November 28, 2000.

Respondent MLPFS signed the Uniform Submission Agreement: November 29, 2000.

Respondent Combs signed the Uniform Submission Agreement: December 1, 2000.

Respondent Cook signed the Uniform Submission Agreement: November 30, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability, failure to supervise, breach of fiduciary duty, negligence, breach of contract, common law fraud, intentional misrepresentation, common law conversion, violation of Securities Exchange Acts of 1933 and 1934, and violation of the New Jersey Uniform Securities Act.

Claimant's claim involved the following securities: Merrill Lynch World Income Fund, Inc.

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

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$125,000.00
Punitive Damages	\$375,000.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Such other further relief as the Arbitrators deem equitable and just.	

Respondents requested that the Statement of Claim be dismissed in its entirety, that he costs of this proceeding be assessed against the Claimant, and such other and further relief as may be just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

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

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

1. Claimant's claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.
3. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Cook's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Cook must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Comb's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Comb must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.

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
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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 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	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

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:

Two (2) Pre-hearing sessions with Panel @ \$1,125.00	= \$2,250.00
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Pre-hearing conferences:	April 25, 2001	1 session
	February 27, 2003	1 session

Seven (7) Hearing sessions @ \$1,125.00	= \$7,875.00
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Hearing Dates:	June 10, 2003	2 sessions
	June 11, 2003	1 session
	June 12, 2003	2 sessions
	November 11, 2003	2 sessions

Total Forum Fees	= \$10,125.00
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1. The Panel has assessed \$10,125.00 of the forum fees against Claimant.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Claimant requested copies of tapes	= \$135.00
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2. Respondent MLPFS requested copies of tapes = \$135.00

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$10,125.00
<u>Administrative Costs</u>	= \$ 135.00
Total Fees	= \$10,560.00
<u>Less payments</u>	= \$ 1,605.00
Balance Due NASD Dispute Resolution	= \$ 8,955.00

2. Respondent MLPFS is solely liable for:

Member Fees	= \$ 4,600.00
<u>Administrative Costs</u>	= \$ 135.00
Total Fees	= \$ 4,735.00
<u>Less payments</u>	= \$ 7,835.00
Refund Due MLPFS	= \$ 3,100.00

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

ARBITRATION PANEL

Albert F. Reegen	-	Public Arbitrator, Presiding Chair
Thomas F. Fox	-	Public Arbitrator
Matthew Loguercio	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.



Albert F. Reegen
Public Arbitrator, Presiding Chairperson

11/20/03

Signature Date

Thomas F. Fox
Public Arbitrator

Signature Date

Matthew Loguercio
Non-Public Arbitrator

Signature Date

November 21, 2003

Date of Service (For NASD Dispute Resolution use only)

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Public Arbitrator, Presiding Chairperson

Signature Date



Thomas F. Fox
Public Arbitrator

Signature Date

Matthew Loguercio
Non-Public Arbitrator

Signature Date

November 21, 2003
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Albert F. Reegen
Public Arbitrator, Presiding Chairperson

Signature Date

Thomas F. Fox
Public Arbitrator

Signature Date



Matthew Loguercio
Non-Public Arbitrator

11/14/03

Signature Date

November 21, 2003
Date of Service (For NASD Dispute Resolution use only)