
Stipulated Award
NASD

In the Matter of the Arbitration Between:

Name of the Claimant
Aida Fraga

Case Number: 00-04368

Names of the Respondents
Veronica Lee Barnes and Merrill Lynch, Pierce,
Fenner & Smith, Inc.

Hearing Site: Boca Raton, FL

REPRESENTATION OF PARTIES

For Aida Fraga, hereinafter referred to as "Claimant": Robert J. Poulson, Jr., Esq., Law Offices of Robert J. Poulson, Jr., Cooperstown, NY.

For Respondent Veronica Lee Barnes ("Barnes"): Johnathan Kord Lageman, Esq., New York, NY.

For Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch"): April Chung, Esq., Theodore A. Krebsbach & Associates, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: October 2, 2000.

Claimant signed the Uniform Submission Agreement: September 15, 2001.

Statement of Answer filed by Respondent Barnes on or about: December 26, 2000.

Statement of Answer filed by Respondent Merrill Lynch on or about: January 17, 2001.

Respondent Barnes signed the Uniform Submission Agreement: December 30, 2000.

Respondent Merrill Lynch signed the Uniform Submission Agreement: January 16, 2001.

Respondent Barnes filed a Motion to Dismiss on or about: December 26, 2000.

Claimant filed a response to Respondent Barnes' Motion to Dismiss on or about: January 22, 2001.

Respondent Barnes filed a reply to Claimant's response to her Motion to Dismiss on or about: January 26, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; negligence; breach of contract; unsuitability; failure to supervise; churning; fraud; and a violation of Rule 10(b) 5 under the Securities Exchange Act of 1934. The causes of action refer to unspecified securities products.

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

RELIEF REQUESTED

Claimant requested compensatory damages of \$743,000.00 plus interest, attorney's fees, punitive damages, and costs.

Respondents requested that the Statement of Claim be dismissed, attorney's fees, and all other costs deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about March 5, 2001, the undersigned arbitrators (the "Panel") issued an order that denied Respondent Barnes' Motion to Dismiss.

On or about May 28, 2002, the parties filed with NASD a Joint Motion for Entry of Award, Stipulation and Agreement, and Stipulated Award, which requested that the Panel execute the Stipulated Award agreed to by and between the parties.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the Joint Motion for Entry of Award, Stipulation and Agreement, and Stipulated Award the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim is dismissed in its entirety, with prejudice.
2. Within thirty (30) days of service of this Award, Respondent Merrill Lynch shall amend its Form U-5 regarding Respondent Barnes to reflect that the Statement of Claim has been dismissed.
3. The parties shall each bear their own costs and attorney's fees incurred by them in connection with this proceeding.
4. The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Barnes' 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 Barnes must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.
5. All other claims asserted by the parties are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 375.00

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, Respondent Merrill Lynch is assessed:

Member surcharge = \$ 2,000.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 3,500.00

Adjournment Fees

Adjournment fees were not assessed in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the panel.

Injunctive relief fees were not assessed in this matter.

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.

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00 = \$ 2,400.00

Pre-hearing conferences: April 2, 2001 1 session
January 21, 2002 1 session

Total Forum Fees = \$ 2,400.00

1. The Panel has assessed \$ 800.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 800.00 of the forum fees to Respondent Merrill Lynch.
3. The Panel has assessed \$ 800.00 of the forum fees to Respondent Barnes.

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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.

No administrative costs were incurred in this matter.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 800.00
Total Fees	= \$ 1,175.00
Less payments	= \$ 1,175.00
Balance Due NASD	= \$ 0.00

2. Respondent Merrill Lynch is solely liable for:

Member Fees	= \$ 6,100.00
Forum Fees	= \$ 800.00
Total Fees	= \$ 6,900.00
Less payments	= \$ 6,900.00
Balance Due NASD	= \$ 0.00

2. Respondent Barnes is solely liable for:

Forum Fees	= \$ 800.00
Total Fees	= \$ 800.00
Less Payments	= \$ 0.00
Balance Due NASD	= \$ 800.00

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

ARBITRATION PANEL

Thomas Anthony Van Tiem, Sr.	-	Public Arbitrator, Presiding Chairperson
Seymour Herman, Esq.	-	Public Arbitrator
Stanley B. Wolff	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Thomas Anthony Van Tiem, Sr.
Public Arbitrator, Presiding Chairperson

Signature Date

NASD

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/s/

Seymour Herman, Esq.
Public Arbitrator

Signature Date

/s/

Stanley B. Wolff
Non-Public Arbitrator

Signature Date

July 24, 2002

Date of Service (For NASD office use only)

NASD

Arbitration No. 00-04368

Award Page 4 of 5**Administrative Costs**

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ARBITRATION PANEL

Thomas Anthony Van Tien, Sr.

Seymour Herman, Esq.

Stanley B. Wolff

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Public Arbitrator, Presiding Chairperson

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures*Thomas A. Van Tien, Sr.*

Thomas Anthony Van Tien, Sr.
Public Arbitrator, Presiding Chairperson

July 2, 2002
Signature Date

NASD

Arbitration No. 00-04368

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Seymour Herman

Seymour Herman, Esq.

Public Arbitrator

July 19, 2002

Signature Date

Stanley B. Wolff

Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD

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Seymour Herman, Esq.
Public Arbitrator

Stanley B. Wolff

Stanley B. Wolff
Non-Public Arbitrator

Signature Date

Stanley B. Wolff
Signature Date
2/1/02

Date of Service (For NASD office use only)