

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Helene Berger Foundation (Claimant) v. Merrill Lynch, Pierce, Fenner & Smith, Inc. and
Laurie C. Kamhi (Respondents)

Case Number: 03-00384

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Helene Berger Foundation ("Foundation") hereinafter referred to as
"Claimant": Marc J. Ross, Esq., Sichenzia Ross Friedman Ference, LLP, New York,
NY.

Respondents Merrill Lynch, Pierce, Fenner & Smith, Inc. ("MLPFS") and Laurie C.
Kamhi ("Kamhi") hereinafter collectively referred to as "Respondents": Victor A.
Machcinski, Jr., Esq., Krebsbach & Snyder, P.C., New York, NY. Previously
represented by: Dennis M. Pape, Esq., Merrill Lynch, Pierce, Fenner & Smith, Inc., New
York, NY.

CASE INFORMATION

Statement of Claim filed on or about: January 10, 2003.

Claimant signed the Uniform Submission Agreement: January 14, 2003.

Joint Statement of Answer filed by Respondents on or about: April 16, 2003.

MLPFS signed the Uniform Submission Agreement: April 16, 2003.

Kamhi did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: suitability; breach of fiduciary duty;
failure to supervise; control person liability; and respondeat superior. Claimant's claim
involved unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in
the Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages of approximately \$100,000.00, together with

interest thereon from August 7, 2000 through the present; punitive damages; reasonable attorneys' fees; costs, including all filing and hearing fees; and such other and further relief as the Panel deems just, proper, and equitable.

Respondents requested that the Panel dismiss Claimant's Claim in its entirety and assess all costs against it. Further Respondent Kamhi requests that the arbitrators order that all reference to this matter be expunged from her record.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Kamhi did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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. Respondent MLPFS is liable for and shall pay to Claimant compensatory damages in the amount of \$25,500.00.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Kamhi'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 Kamhi must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. 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 = \$ 225.00

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	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: September 8, 2003 1 session	

One (1) Pre-hearing session with Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: August 7, 2003 1 session	

Eight (8) Hearing sessions @ \$750.00	= \$6,000.00
Hearing Dates: January 14, 2004 2 sessions	
February 3, 2004 2 sessions	
February 4, 2004 2 sessions	
February 5, 2004 2 sessions	

Total Forum Fees	= \$7,200.00
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1. The Panel has assessed \$3,600.00 of the forum fees against Claimant.
2. The Panel has assessed \$3,600.00 of the forum fees against MLPFS.

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.

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|---|-----------|
| 1. Claimant requested duplication of cassette tapes | = \$60.00 |
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Fee Summary

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|-----------------------------------|--------------|
| 1. Claimant is solely liable for: | |
| Initial Filing Fee | = \$ 225.00 |
| Forum Fees | = \$3,600.00 |

<u>Administrative Costs</u>	= \$ 60.00
<u>Total Fees</u>	= \$3,885.00
<u>Less payments</u>	= \$1,485.00
<u>Balance Due NASD Dispute Resolution</u>	= \$2,400.00

2. MLPFS is solely liable for:

<u>Member Fees</u>	= \$3,550.00
<u>Forum Fees</u>	= \$3,600.00
<u>Total Fees</u>	= \$7,150.00
<u>Less payments</u>	= \$5,250.00
<u>Balance Due NASD Dispute Resolution</u>	= \$1,900.00

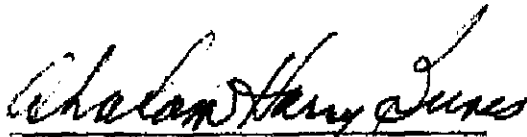
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Abraham Harry Bunis	-	Public Arbitrator, Presiding Chair
Michael S. Meyer, Esq.	-	Public Arbitrator
Frank Irizarry, Esq.	-	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, which is my award.



Abraham Harry Bunis
Public Arbitrator, Presiding Chairperson



Signature Date

Michael S. Meyer, Esq.
Public Arbitrator

Signature Date

Frank Irizarry, Esq.
Non-Public Arbitrator

Signature Date

March 2, 2004

Date of Service (For NASD Dispute Resolution use only)

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ARBITRATION PANEL

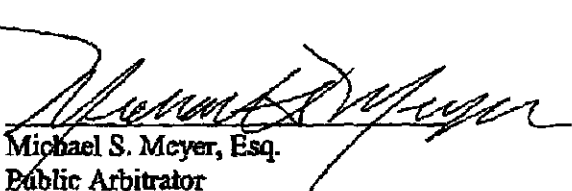
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Michael S. Meyer, Esq.	-	Public Arbitrator
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Concurring Arbitrators' Signatures

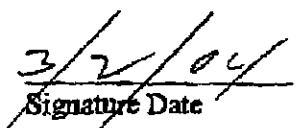
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Abraham Harry Bunis
Public Arbitrator, Presiding Chairperson

Signature Date



Michael S. Meyer, Esq.
Public Arbitrator



Signature Date

Frank Irizarry, Esq.
Non-Public Arbitrator

Signature Date

March 2, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Abraham Harry Burns	-	Public Arbitrator, Presiding Chair
Michael S. Meyer, Esq.	-	Public Arbitrator
Frank Irizarry, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

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Abraham Harry Burns
Public Arbitrator, Presiding Chairperson

Signature Date

Michael S. Meyer, Esq.
Public Arbitrator

Signature Date



Frank Irizarry, Esq.
Non-Public Arbitrator

3/02/04

Signature Date

March 2, 2004

Date of Service (For NASD Dispute Resolution use only)