

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Dr. Harry Alexanderian and
Mrs. Adele Alexanderian

Case Number: 03-02142

Names of the Respondents

Merrill Lynch, Pierce, Fenner & Smith, Inc.
Reuben S. Birnbaum

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimants, Dr. Harry Alexanderian and Mrs. Adele Alexanderian, hereinafter collectively referred to as "Claimants", were represented by James E. Miller, Esq. and James Shah, Esq., Shepherd, Finkelman, Miller & Shah, LLC, Hartford, Connecticut.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") and Reuben S. Birnbaum ("Birnbaum"), hereinafter collectively referred to as "Respondents", were represented by John R. Snyder, Esq. and Robert Baker, Esq., Bingham McCutchen, LLP, Boston, Massachusetts.

CASE INFORMATION

Statement of Claim filed March 25, 2003.

Claimants signed the Uniform Submission Agreement on March 20, 2003.

Claimants' Response to Respondents' Motion to Dismiss filed on July 29, 2003.

Statement of Answer with Motion to Dismiss filed by Respondents on or about July 11, 2003.

A representative of Respondent Merrill Lynch signed the Uniform Submission Agreement on July 7, 2003.

Respondent Birnbaum signed the Uniform Submission Agreement on July 8, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: fraud, unsuitable investments, intentional and negligent misrepresentation, breach of fiduciary duties, unjust enrichment/quantum meruit, intentional and negligent infliction of emotional distress, negligence, breach of contract, violations of federal securities laws and violation of the New York Consumer Protection Act, McKinney's General Business Law § 349, and failure to supervise. The causes of action relate to the purchase and sale of various stocks.

Unless specifically admitted in their Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses among others: failure to state a claim upon which relief may be granted; authorization; failure to mitigate; assumption of the risk; claims barred by doctrine of unclean hands; contributory negligence; statutes of limitations; and, estoppel, waiver, ratification, and laches.

RELIEF REQUESTED

Claimants requested the following damages:

Compensatory Damages	\$3,500,000.00
Punitive Damages	\$5,000,000.00
Attorneys' Fees	unspecified amount
Other Costs	unspecified amount
Other Monetary Relief	unspecified amount

Respondents requested dismissal of the Claimants' claims in their entirety and expungement of the regulatory record of Respondent Birnbaum.

OTHER ISSUES CONSIDERED AND DECIDED

Claimants withdrew and dismissed with prejudice all their claims against Respondent Birnbaum on July 21, 2004.

Prior to the hearing, the parties fully and finally settled all claims by and between them. Therefore, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have amicably resolved their differences and have requested this Stipulated Award;
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Birnbaum'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 Birnbaum must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;

3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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 = \$600.00

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 is a party.

Member surcharge = \$3,350.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$5,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

July 20-22, 26-28, 2004, adjournment requested by Claimants = \$1,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing sessions with Panel @ \$1,200.00 = \$1,200.00

Pre-hearing conference: November 21, 2003 1 session

Total Forum Fees = \$1,200.00

1. The Panel has assessed \$600.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimants are jointly and severally assessed and shall pay:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$1,200.00
<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$2,400.00
<u>Less payments</u>	<u>= \$3,000.00</u>
Refund owed Claimants by NASD Dispute Resolution	= \$ 600.00

2. Respondent Merrill Lynch is assessed and shall pay:

<u>Member Fees</u>	<u>= \$9,600.00</u>
Total Fees	= \$9,600.00
<u>Less payments</u>	<u>= \$9,600.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally assessed and shall pay:

<u>Forum Fees</u>	<u>= \$ 600.00</u>
Total Fees	= \$ 600.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 600.00

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

NASD Dispute Resolution
Arbitration No. 03-02142
Stipulated Award Page 5

ARBITRATION PANEL

Cynthia H. Plishkin
Marilyn Chin
Carl T. Necker, Sr.

- Public Arbitrator, Presiding Chairperson
- Public Arbitrator, Panelist
- Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Cynthia H. Plichtin
Cynthia H. Plichtin
Public Arbitrator, Presiding Chairperson

3/22/05
Signature Date

Marilyn Chin
Public Arbitrator, Panelist

Signature Date

Carl T. Necker, Sr.
Non-Public Arbitrator, Panelist

Signature Date

March 28, 2005
Date of Service (For NASD Dispute Resolution office use only)

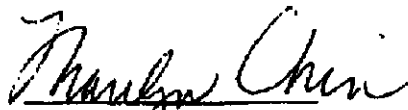
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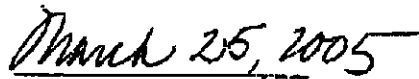
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Signature Date

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Carl T. Necker, Sr.
Non-Public Arbitrator, Panelist

3-24-05
Signature Date

March 28, 2005
Date of Service (For NASD Dispute Resolution office use only)