

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants
Paul and Flora Angelucci

Case Number: 03-06170

Names of the Respondents
Gerald R. Browne
Merrill Lynch, Pierce, Fenner & Smith, Inc.

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimants, Paul and Flora Angelucci, hereinafter collectively referred to as "Claimants", were represented by Kendal S. Zylstra, Esq., Schiffrin & Barroway, LLP, Bala Cynwyd, Pennsylvania.

Respondents, Gerald R. Browne ("Browne") and Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch"), hereinafter collectively referred to as "Respondents", were represented by Diana C. Campbell, Esq., Bressler, Amery & Ross, P.C., Morristown, New Jersey.

CASE INFORMATION

Statement of Claim filed on August 26, 2003.

Amended Statement of Claim filed on September 8, 2003.

Claimants signed the Uniform Submission Agreement on August 19, 2003.

Statement of Answer filed by Respondents on December 17, 2003.

Respondents did not file Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: common law fraud; breach of fiduciary duty; failure to supervise; failure to execute; unsuitability; and, violations of the Securities Exchange Act, section 10(b). The causes of action relate to the purchase and sale of various stocks.

Unless specifically admitted in their Answer, Respondents 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; statute of limitations; laches, waiver, ratification and estoppel; and, failure to mitigate.

RELIEF REQUESTED

Claimants requested \$166,081.00 in compensatory damages; \$325,000.00 in punitive damages; and interest, costs and attorneys' fees in unspecified amounts.

Respondents requested that Claimants' Statement of Claim be dismissed with prejudice and that the arbitrators award Respondents costs and other further relief as they deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed submissions to arbitration, but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

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 Browne'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 Browne 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 = \$ 300.00

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	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00

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), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: April 20, 2004 1 session	

Total Forum Fees	= \$1,125.00
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1. The Panel has assessed \$562.50 of the forum fees to Claimants.
2. The Panel has assessed \$562.50 of the forum fees to Respondents jointly and severally.

Fee Summary

1. Claimants are assessed and shall pay:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Retained hearing session deposit	= \$ 562.50
3-day cancellation fee	= \$ 150.00
Total Fees	= \$1,575.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$ 150.00

2. Respondent Merrill Lynch is assessed and shall pay:

Member Fees	= \$5,200.00
3-day cancellation fee	= \$ 150.00
Total Fees	= \$5,350.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 150.00

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

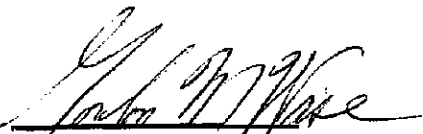
Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

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

ARBITRATION PANEL

Gordon M. Wase, Esq.	-	Public Arbitrator, Presiding Chairperson
Thomas J. Beagan, Jr., Esq.	-	Public Arbitrator, Panelist
Charles W. Lake	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Gordon M. Wase, Esq.
Public Arbitrator, Presiding Chairperson

2/28/05
Signature Date

Thomas J. Beagan, Jr., Esq.
Public Arbitrator, Panelist

Signature Date

Charles W. Lake
Non-Public Arbitrator, Panelist

Signature Date

March 4, 2005

Date of Service (For NASD Dispute Resolution office use only)

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ARBITRATION PANEL

Gordon M. Wase, Esq.	-	Public Arbitrator, Presiding Chairperson
Thomas J. Beagan, Jr., Esq.	-	Public Arbitrator, Panelist
Charles W. Lake	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Gordon M. Wase, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Thomas J. Beagan, Jr., Esq.
Public Arbitrator, Panelist

3-2-05

Signature Date

Charles W. Lake
Non-Public Arbitrator, Panelist

Signature Date

March 4, 2005

Date of Service (For NASD Dispute Resolution office use only)

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ARBITRATION PANEL

Gordon M. Wase, Esq.	-	Public Arbitrator, Presiding Chairperson
Thomas J. Beagan, Jr., Esq.	-	Public Arbitrator, Panelist
Charles W. Lake	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Gordon M. Wase, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Thomas J. Beagan, Jr., Esq.
Public Arbitrator, Panelist

Signature Date

Charles W. Lake
Charles W. Lake
Non-Public Arbitrator, Panelist

March 1, 2005
Signature Date

March 4, 2005
Date of Service (For NASD Dispute Resolution office use only)