

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Darryl Pounds

Custodial Account of Delton Pounds

Case Number: 03-06342

Names of the Respondents

Merrill Lynch, Pierce, Fenner & Smith, Inc.

Jinesh Pravin Brahmhatt

Hearing Site: Washington, D.C.

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

REPRESENTATION OF PARTIES

Claimants, Darryl Pounds and Custodial Account of Delton Pounds, hereinafter collectively referred to as "Claimants", were represented by John T. Getz, Esq., Feldman & Getz, LLP, Boca Raton, Florida.

Respondents, Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") and Jinesh Pravin Brahmhatt ("Brahmhatt"), hereinafter collectively referred to as "Respondents", were represented by Gerard P. Finn, Esq., Bingham McCutchen, LLP, Washington, D.C.

CASE INFORMATION

Statement of Claim filed on September 2, 2003.

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

Statement of Answer filed by Respondents on February 9, 2004.

Respondents did not file Uniform Submission Agreements with NASD Dispute Resolution.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitable recommendations, fraud, failure to supervise, negligence, and violation of state and federal securities laws. The causes of action relate to the purchase and sale of various unspecified securities.

Unless specifically admitted in their Statement of Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: Claimants failed to state a claim upon which relief can be granted; Respondents acted properly, in good faith, and in a commercially reasonable manner with respect to Claimants' accounts; the Respondents' recommendations were suitable; Claimants directed, approved and/or authorized each transaction for the accounts at issue; Claimants were experienced and sophisticated investors and knowingly accepted the risks associated with the transactions; Respondents did not violate any rule of the NASD, NYSE or any other self-regulatory agency with respect to the Claimants' accounts; Respondents made no material misrepresentations; Claimants suffered no

damages by reason of the acts or omissions complained of in the Statement of Claim; Claimants' claims are barred because Respondents did not cause, legally, proximately or otherwise, the alleged injuries; Claimants' alleged losses were proximately caused by his own conduct and is precluded from recovery; Merrill Lynch properly supervised its employees at all times; some or all of Claimants' claims are barred by the Statute of Limitations; and Claimants failed to mitigate their damages, if any.

RELIEF REQUESTED

Claimants in the Statement of Claim requested:

Compensatory Damages	\$ 900,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

Respondents in their Statement of Answer requested dismissal of the Statement of Claim with prejudice, reimbursement of all costs, and that the Arbitration Panel (the "Panel") order the expungement of all reference to this matter from Respondent Brahmhatt's Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

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

Prior to the hearing, the Parties fully and finally settled all claims by and between them. Claimant and Respondent Merrill Lynch have entered into a confidential settlement agreement. 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. Respondents Merrill Lynch and Mr. Brahmhatt are dismissed with prejudice;

3. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Brahmbhatt's registration records maintained by the CRD with the understanding that, pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Brahmbhatt must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
4. That each party shall bear its own costs and expenses, including attorneys' fees, except as Fees are specifically addressed below; and
5. That 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 = \$ 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 a party.

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 4,000.00

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 @ \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: June 9, 2004 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 = \$ 375.00

Forum Fees	= \$ 600.00
Total Fees	= \$ 975.00
Less payments	= \$ 1,700.00
Refund Owed Claimants	= \$ 725.00

2. Respondent Merrill Lynch is assessed and shall pay:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 0.00
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.

ARBITRATION PANEL

June White Dillard, Esq.	-	Public Arbitrator, Presiding Chairperson
Charles A. Cade	-	Public Arbitrator, Panelist
Anne Q. Uno	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Jane White Dillard

Jane White Dillard, Esq.
Public Arbitrator, Presiding Chairperson

August 25, 2005

Signature Date

Charles A. Cade
Public Arbitrator, Panelist

Signature Date

Anne Q. Uno
Non-Public Arbitrator, Panelist

Signature Date

September 9, 2005

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

Concurring Arbitrators' Signatures

June White Dillard, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Charles A. Cade
Public Arbitrator, Panelist

8/26/05
Signature Date

Anne Q. Uno
Non-Public Arbitrator, Panelist

Signature Date

September 9, 2005
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

June White Dillard, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Charles A. Cade
Public Arbitrator, Panelist

Signature Date

Anne Q. Uno
Anne Q. Uno
Non-Public Arbitrator, Panelist

8/29/05
Signature Date

September 9, 2005
Date of Service (For NASD Dispute Resolution office use only)