

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Charles Chinni (Claimant) v. Merrill Lynch, Pierce, Fenner & Smith, Inc. (Respondent)

Case Number: 04-02640

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant Charles Chinni ("Chinni") hereinafter referred to as "Claimant": Nicholas K. Notias, Esq., Capetanakis & Preite, LLP, New York, NY.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill Lynch") hereinafter referred to as "Respondent": William J. Manning, Jr., Esq., Loeb & Loeb, LLP, New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: April 5, 2004.

Claimant signed the Uniform Submission Agreement: April 7, 2004.

Statement of Answer filed by Respondent on or about: July 7, 2004.

Respondent signed the Uniform Submission Agreement: June 3, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; breach of contract; common law fraud; negligence and gross negligence; and violations of federal securities laws. The causes of action relate to various shares of common stocks.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$200,000.00; interest; punitive damages; attorneys' fees; costs; and any other damages the Panel may deem just and fair.

Respondent requested that Claimant's Statement of Claim be dismissed, with prejudice in its

entirety; attorneys' fees; costs; and other further relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing in this matter, Respondent made a Motion to Dismiss at the conclusion of Claimant's case. The Panel denied the motion.

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, and 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. Claimant's claims are dismissed in their entirety.
2. 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	= \$300.00
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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	= \$1,700.00
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 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 Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: September 27, 2004 1 session	
Six (6) Hearing sessions @ \$1,125.00	= \$6,750.00
Hearing Dates: March 8, 2005 2 sessions	
March 9, 2005 2 sessions	

March 10, 2005 2 sessions

Total Forum Fees = \$7,875.00

1. The Panel has assessed \$3,937.50 of the forum fees against Claimant.
2. The Panel has assessed \$3,937.50 of the forum fees against Respondent.

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.

1. Claimant requested service = \$15.00

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$3,937.50
<u>Administrative Costs</u>	= \$ 15.00
Total Fees	= \$4,252.50
<u>Less payments</u>	= \$1,440.00
Balance Due NASD Dispute Resolution	= \$2,812.50

2. Respondent is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	= \$3,937.50
Total Fees	= \$9,137.50
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$3,937.50

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

NASD REGULATION

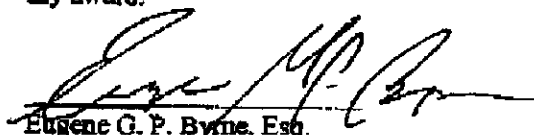
NASD Dispute Resolution
Arbitration No. 04-02640
Award Page 4 of 4

ARBITRATION PANEL

Eugene G. P. Byrne, Esq.	-	Public Arbitrator, Presiding Chairperson
Erica A. Hoffman, Esq.		Public Arbitrator
Amy Y. Moy	-	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.


Eugene G. P. Byrne, Esq.
Public Arbitrator, Presiding Chairperson


Signature Date

Erica A. Hoffman, Esq.
Public Arbitrator

Signature Date

Amy Y. Moy
Non-Public Arbitrator

Signature Date

March 14, 2005

Date of Service (For NASD Dispute Resolution use only)

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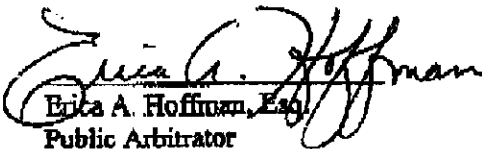
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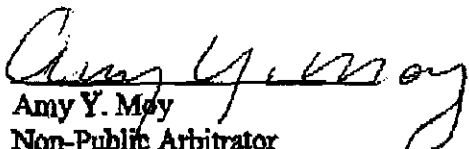
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Public Arbitrator, Presiding Chairperson

Signature Date

Erica A. Hoffman, Esq.
Public Arbitrator

Signature Date


Amy Y. Moy
Non-Public Arbitrator

3/11/05
Signature Date

March 14, 2005

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